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Japan

Diplomatic Ties Restored With Baltic States

OW0210041391 Tokyo KYODO in English 0342 GMT 2 Oct 91

[Text] Tokyo, Oct. 2 KYODO—Japan will exchange diplomatic documents with the three Baltic states of Estonia, Latvia, and Lithuania next week to restore full diplomatic relations after a 51-year hiatus, Foreign Ministry officials said Wednesday.

Muneo Suzuki, parliamentary vice foreign minister, will visit the capitals of the three Baltic republics to formally reopen relations with the newly independent states, the officials said.

The signing ceremonies will first take place in the Lithuanian capital of Vilnius on Sunday or Monday and then in Riga, the Latvian capital, on Tuesday.

Suzuki will go to the Estonian capital of Tallinn to sign the documents Thursday.

It will take some time, however, to name new ambassadors and to open Japanese missions in each Baltic state, the officials said.

Japan decided to extend diplomatic recognition to the three Baltic states at a cabinet meeting September 6.

Soviets Approve Visit by Nakayama 14-15 Oct

OW0210084591 Tokyo KYODO in English 0834 GMT 2 Oct 91

[Text] Tokyo, Oct. 2 KYODO—Foreign Minister Taro Nakayama disclosed Wednesday he will have talks with Soviet President Mikhail Gorbachev and Russian President Boris Yeltsin on either October 14 or 15.

During the talks, Nakayama is expected to discuss the long-standing issue of disputed islands off Hokkaido and economic assistance to the Soviet Union.

Nakayama told a foreign affairs committee of the House of Representatives the Soviet and Russian governments have approved Nakayama's visit on October 14 to 15. He said he was informed of the decision through Japanese Ambassador to Moscow Sumio Edamura.

A definite schedule for the visit is not immediately known.

Nakayama discussed Japan's five-point policy for increased assistance to the Soviet Union and Russian Republic in a meeting with Soviet Foreign Minister Boris Pankin in New York last month.

Pankin told Nakayama at the meeting the Soviet Union is eager to settle the island dispute.

Soviet Food, Medical Supply Situations Surveyed

OW0110234791 Tokyo NHK General Television Network in Japanese 1000 GMT 1 Oct 91

[Text] A survey team led by Ambassador Tanaka, which had been surveying the actual condition of food and medical supply shortages in the Soviet Far Eastern and Siberian region since 20 September, has returned home. The team reported to Foreign Minister Taro Nakayama on the results of its survey this evening.

The survey team, headed by Ambassador Tanaka, former chief of protocol at the Foreign Ministry, and comprised of experts from the Ministry of Agriculture, Forestry, and Fisheries, and the Ministry of Health and Welfare, toured the Soviet Far East and Siberia including Vladivostok, Khabarovsk, and Irkutsk from 20 September. It returned home yesterday after surveying the food situation and the actual condition of medical supply shortages in various places.

The details of the report have not been made public. However, the report seems to have concluded that although the food and medical supply shortages in some parts of the Far Eastern and Siberian region will be quite serious this coming winter, the overall situation is not so serious that famine will occur.

Regarding the food and medical supply situation, Japan and the European Community nations are conducting surveys in different parts of the Soviet Union. Working-level officials from Japan and six other advanced nations are to meet this month to examine the concrete scale of emergency aid to the Soviet Union in food and medical supplies, and the amount of expenses to be borne by each nation on the basis of their surveys.

Government Unlikely To Give Soviets Grant Aid

OW0210104491 Tokyo KYODO in English 1030 GMT 2 Oct 91

[Text] Tokyo, Oct. 2 KYODO—Japan is unlikely to give any grant aid to the Soviet Union as emergency assistance to help the country weather the coming winter, a senior Finance Ministry official said Wednesday.

The official, who spoke on condition he not be identified, said the Soviet Union should not be regarded as a poor country eligible for free aid.

He suggested Japanese aid would be in the form of loans like those extended in December by Japan's Export-Import Bank to buy food.

The official, referring to a report by a Japanese fact-finding mission which recently returned from the Soviet Far East, said there appears to be no serious threat of famine in the country.

But he admitted there are people who could suffer severely from runaway inflation, like those who depend on pensions for income.

The official said the report by the mission calls for a substantial supply of food and medicine as emergency aid.

But he said the government has made no decision on how much assistance would be given.

Finance Minister Ryutaro Hashimoto said the government would decide on humanitarian aid on the basis of the mission's report.

The ministry official also said there is a good possibility Hashimoto will not attend the semiannual meetings of the Internatioanl Monetary Fund and the World Bank in mid-October in Bangkok.

He said the ministry wants Hashimoto to attend, but has not obtained any firm commitment from him.

Insurance for Soviet Investments Considered

OW0210101991 Tokyo KYODO in English 1001 GMT 2 Oct 91

[Text] Tokyo, Oct. 2 KYODO—With signs of a breakthrough in the long-standing bilateral territorial issue, Japan is looking to extend insurance guarantees for Japanese investments in the Soviet Union, an official of the Ministry of International Trade and Industry (MITI) said Wednesday.

The official, who requested anonymnity, said the government wants to open "as early as possible" insurance cover for Soviet investments, put on hold after Soviet troops moved into Afghanistan in 1979.

The official said the timing has yet to be worked out due to the unfavorable outlook for Soviet economic reform.

The official's remarks underscored comments made Tuesday by a senior MITI official, who said "the time is ripe for Japan to accept such insurance for small-scale projects."

The senior official said Japanese companies, particularly operating in the Sea of Japan coast, have expressed strong desire to invest in the Soviet Far East.

Japan has so far been reluctant to provide insurance coverage for Soviet investment projects, in line with its policy of withholding financial assistance to the Soviet Union until the thorny territorial dispute over four islands off Hokkaido is resolved.

There were no cases of investment insurance for Soviet projects even before the 1979 sanction.

But the government seems to be less tight-fisted toward the Soviet Union, with the resolution of the so-called "Northern Territories" issue more likely than before.

The planned mid-October tour by Japanese Foreign Minister Taro Nakayama to Moscow is widely seen as opening the way for the two countries to start negotiations on the matter.

Nicaragua To Receive 'Official Commodity Loans'

OW0210012691 Tokyo KYODO in English 2320 GMT 1 Oct 91

[Text] Tokyo, Oct. 2 KYODO—Japan has agreed to provide Nicaragua with up to 9.7 billion yen in official commodity loans, Foreign Ministry officials said Wednesday.

Officials said the loans, the first Nicaragua will receive since President Violeta de Chamorro's government took power after the February 1990 election, are intended as support for the consolidation of Nicaraguan democracy and as an example of Japan-U.S. global cooperation, the officials said.

Representatives of the two countries exchanged notes on the loan extension Tuesday in the Nicaraguan capital of Managua.

Officials said the generally untied loan from the Japanese Government's Overseas Economic Cooperation Fund (OECF) will carry a 2.6 percent annual interest rate which is repayable over 30 years, and includes a 10-year grace period.

The loan agreement comes in response to Chamorro's request for Japanese financial assistance when she visited Japan in February and met Prime Minister Toshiki Kaifu.

Subsequently, U.S. President George Bush sent Kaifu a letter last May urging Japan to help prop up Nicaragua's struggling economy by matching 75 million dollars the U.S. pledged under its economic assistance plan for Central America.

The 9.7 billion yen loan is the equivalent of 70 million dollars that Japan pledged to Nicaragua at a World Bank-sponsored meeting of donor countries in Paris.

GATT Urges 'More Flexible' Negotiating Stance

OW0210043791 Tokyo KYODO in English 0324 GMT 02 Oct 91

[Text] Geneva, Oct. 1 KYODO—The director general of the General Agreement on Tariffs and Trade (GATT) on Tuesday urged Japan to take a more flexible negotiating stance regarding farm trade in the GATT-sponsored Uruguay round of multilateral trade talks, Japanese sources said.

Arthur Dunkel made the request when he met Shigeru Motai, adviser to the Japanese Ministry of Agriculture, Forestry, and Fisheries, the sources said.

Motai, a former administrative vice minister at the ministry, is visiting Geneva to attend talks aimed at working out a package of proposals for the Uruguay round.

Dunkel told Motai that the GATT cannot accept all the demands of food-importing nations like Japan and urged Japan to be more flexible in farm trade talks, the sources said.

In reply, Motai defended Japan's "food security" policy which calls for self-sufficiency in basic food supplies such as rice.

Regarding a proposal to introduce new tariffs in place of nontariff trade barriers, Motai said items to be covered or not covered by the proposal should be specified.

In so doing, Motai expressed opposition to preparing trade proposals without specifics, the sources said.

Meanwhile, officials of 36 countries attended GATT-sponsored farm trade negotiations in Geneva.

They are expected to continue their working-level discussions on various issues, including export subsidies, until October 18.

New Labor Accord for Employees on U.S. Bases

OW0210023991 Naha RYUKYU SHIMPO in Japanese 2 Oct 91 Morning Edition p 2

[Text] Upon the conclusion of a new "Special Accord" giving the Japanese Government responsibility for all labor costs involving Japanese employees working for U.S. Forces, negotiations have been held between the Defense Facilities Administration Agency [DFAA] and the U.S. representatives. The DFAA wants to apply relevant Japanese laws and other regulations to the accord. The U.S. side aimed to implement the new accord on 1 October. Although both sides have agreed in principle to abide by the relevant laws and provide the workers with the same benefits as public servants receive, the sides could not agree on issues involving personnel management and working conditions. The new accord has therefore taken effect, leaving these details to the government and the labor union. Regarding the unsettled matters, the Japanese and the U.S. sides plan to continue negotiations.

Previously, the Japanese and the U.S. sides shouldered 54 percent and 47 percent of Japanese workers' wages respectively. With the conclusion of the new "Special Accord," the Japanese side will also pay 25 percent of basic wages after 1 October, and the overall ratio will then be 6 to 4. This Japanese percentage will be gradually increased in the future. The Japanese side will pay 100 percent of basic wages after 1 April 1995. Sundry allowances other than basic wages are also being paid by the Japanese side.

Joint-EC Business Roundtable Held in Tokyo

OW0210115591 Tokyo KYODO in English 1117 GMT 02 Oct 91

[Text] Tokyo, Oct. 2 KYODO—Japanese and European manufacturers held the eighth Japan-EC Business Roundtable on consumer electronics Wednesday to improve cooperative relationships and work toward better communications ties, industry officials said.

Jan Dirk Timmer, president of Philips Electronics N.V. (Netherlands) said, "Consumer electronics is becoming a global industry and problems such as product standardization and environmental impact need to be tackled together on a worldwide basis."

Sony Corp. Chairman Akio Morita said, "Both sides will also start constructing ways to improve access for European parts manufacturers to Japanese consumer electronics makers in Japan."

Ten Japanese consumer electronics manufacturers and 11 European producers participated in the business discussion.

Talks focused mainly on industrial cooperation, environmental protection related to product composition and packaging, future technological trends in consumer electronics and trade problems.

Although the discussion did not lead to any agreements on specific issues, both sides agreed to stage further talks in the future to improve industrial ties.

UN Bill Carried Over to Next Diet Session

OW0110160991 Tokyo KYODO in English 1253 GMT 1 Oct 91

[Text] Tokyo, Oct. 1 KYODO—The House of Representatives will carry over two bills that would allow Japan to send military personnel overseas to help United Nations peacekeeping operations [PKO] and also to international relief activities, parliamentary officials said Tuesday.

The officials said the decision was made at an executive meeting of the lower house's special committee on international peace cooperation, which has been debating the proposed legislation.

The bills are expected to be approved in the next regular session of the Diet in January with support expected from the second-largest opposition party, Komeito, the officials said.

However, Komeito called for careful deliberations on the bills as a precondition for its support, they said.

A motion to carry it over is expected to be approved at a committee session Thursday.

The No. 1 opposition Social Democratic Party and the No. 3 opposition Japanese Communist Party strongly oppose the bills, claiming they would violate the Constitution which bans the use or threat of force as a means of settling international disputes.

Yukihiko Ikeda, director general of the Defense Agency, said he has no intention of seeking an increase in defense appropriations for participation in U.N. peackeeping operations.

MITI Seeks Lower Rates To Stimulate Economy

OW0110220391 Tokyo KYODO in English 1035 GMT 01 Oct 91

[Text] Tokyo, Oct. 1 KYODO—A senior official of the Ministry of International Trade and Industry (MITI) said Tuesday interest rates should fall further to give the economy "more breathing space."

The official, who declined to be identified, said the cut in reserve requirements by the Bank of Japan (BOJ) is not enough to buttress the weakening economy.

While welcoming the BOJ's latest move, the first in 10 years, as in line with the bank's recent generous credit stance, he voiced dissatisfaction over the still-high official discount rate.

The BOJ announced earlier in the day it was lowering the amount of reserves that it requires banks to maintain at the central bank, a move widely seen as signaling its intention to ease credit.

The official cited lessened pressure on prices and the need to bolster anemic corporate spending as sufficient justification for the central bank to reduce the key lending rate, which was last lowered to an annual 5.5 percent on July 1.

September consumer prices in the Tokyo metropolitan area posted their lowest increase in a year, rising only 2.8 percent from a year earlier, according to a recent government report.

A recent MITI study also showed Japan's factory and mine output, a major factor in decisions on capital spending, dropped a seasonally adjusted 2.1 percent in August from the previous month, confounding earlier expectations of a mild 0.3 percent decline.

Reserves Cut Not To Herald Major Lending Boost

OW0110220191 Tokyo KYODO in English 1234 GMT 01 Oct 91

[By Mitsuru Mabuchi]

[Text] Tokyo, Oct. 1 KYODO—The Bank of Japan's [BOJ] lowering of banks' reserve requirements Tuesday was not seen by Japanese economists as heralding an early cut in the official discount rate, nor likely to give much of a boost to commercial bank lendings.

The BOJ's decision to lower, for the first time in more than five years, the amount of reserves it requires banks to maintain at the central bank was widely viewed as a move in line with its recent monetary easing.

But economists and money market players are somewhat split over what the decision signals about the central bank's stance on the long-awaited cut in the key lending rate.

Few, however, are looking for a major increase in commercial bank lending, which has been capped by government restrictions on loans to real estate businesses and by international capital standards.

The slowing bank lending has engendered concerns about a credit squeeze in the corporate sector.

The BOJ's move, which frees up some 2 trillion yen within the banking system, is intended "to ensure no credit crunch develops," said Jesper Koll, an economist at S.G. Warburg Securities.

Although the money injection will certainly make it easier for banks to lend to their customers, Koll admits it is questionable whether it will lead to any major increase in actual bank lendings.

"Whether it is going to lead to a pick-up in loan demand, or whether it will only be used as a restructuring aid for the balance sheet of banks is a different question," Koll said.

Russell Jones, a senior economist at UBS Phillips and Drew International, voiced the same doubt.

"The key consideration now is whether the banking sector decides to use this money to fatten its margins, or whether it lends the money onwards," he said.

Koichi Nishina, general manager of Mitsui Taiyo Kobe Bank's treasury division, argues the BOJ's step will not prod banks into boosting their lending sharply.

"The BOJ will probably absorb 2 trillion yen through some form of market operations," he said.

"The move won't provide any big boost to liquidity, nor will it lower interest rates soon," he said.

"With the BIS (Bank for International Settlements) requirements on asset-to-equity ratios and all, we are not poised to make any sizeable increase in lending because of this," Nishina said.

He said the lowering of reserve requirements is aimed more at strengthening the central bank's hand in market operations.

The BOJ has been faced with dwindling resources for money market control through discount bill operation, the principal means of making its policy known to the market, due to the lack of discount bills.

Japanese companies, reluctant to pay stamp tax, have been cutting back sharply their issuance of commercial bills.

Parties Agree To Form Council, Discuss Reform

OW0110211391 Tokyo KYODO in English 1339 GMT 1 Oct 91

[Text] Tokyo, Oct. 1 KYODO—Four major political parties agreed Tuesday to set up a consultative body on political reform, in what appears to be a face-saving concession to Prime Minister Toshiki Kaifu, officials said.

On Monday, Kaifu expressed "serious determination" to proceed with political reform after a parliamentary committee dropped a set of three reform bills on which he has repeatedly said he will stake his political life.

Representatives of Kaifu's ruling Liberal Democratic Party (LDP) and three noncommunist opposition parties reached the agreement during a meeting Tuesday.

Diet affairs committee chairmen from the LDP, the Social Democratic Party (SDP), Komeito, and the Democratic Socialist Party (DSP) confirmed the scrapping of the package of three bills for the current Diet session, which closes Friday.

But they agreed to establish an inter-party council to discuss political reform, the officials said.

Seiroku Kajiyama, chairman of the LDP's Diet Affairs Committee, told his opposition counterparts that his party approved Monday's proposal by Hikosaburo Okonogi, chairman of the House of Representatives'

Special Committee on Political Reform, to discard the bills and not to table them again at the next Diet session.

The bills include one calling for introduction of single-seat constituencies in general elections for the House of Representatives, to which all opposition parties and some LDP members are opposed.

The consultative body will be formally inaugurated in a meeting Thursday of secretaries general of the LDP and opposition parties, the officials said.

Prime Minister Kaifu told a session of the lower house Special Committee on U.N. Peacekeeping Operations Tuesday that his remark Monday concerning his "serious determination" was an "expression of strong will to implement political reform and prevent the light (of political reform) from being snuffed out."

He said, "the Kaifu cabinet was inaugurated with implementation of political reform as the priority item and has been tackling the issue with an indomitable resolve." "I will tackle political reform with a serious determination to advance it."

Chief Cabinet Secretary Misoji Sakamoto told reporters that Kaifu is mulling various means of winning support for political reform, including dissolution of the House of Representatives and calling a snap general election.

Sakamoto denied, however, that Kaifu's remark Monday meant he would necessarily call a general election on the issue.

"There are various means to achieve political reform, and dissolving the Diet and calling for a mass resignation (of the cabinet) are included in the broad range of choices," Sakamoto told a regularly scheduled news conference.

Some LDP members said Kaifu's remark was a bluff aimed at dissidents among the LDP who oppose introduction of the single-seat system.

Meanwhile, a group of 18 junior LDP lawmakers met Kaifu on Tuesday and urged him to dissolve the lower house for such a snap election on the reform issue.

Kenichiro Sato, one of the group, urged Kaifu to assert his leadership by dissolving the lower house.

Kaifu was quoted as replying he was "sorry" (the situation had ended this way).

At a cabinet meeting the same day, Kaifu urged cabinet members to back up his resolve to promote reforms, aimed at reducing campaign costs and encouraging policy-oriented debate at election time.

The bills, which would redraw the current three-to-five-seat electoral districts of the lower house into single-seat constituencies and tighten rules on fund raising, have met stiff opposition within the LDP as well as among opposition parties.

Finance Minister Ryutaro Hashimoto and Foreign Minister Taro Nakayama called for solidarity in support of Kaifu, who has made political reform a top priority since he was ushered into office in August 1989.

At the time, the LDP was reeling from money and sex scandals, and Kaifu, a former education minister with a "clean" image, was tapped to help the party recover.

The last general election for the House of Representatives was held in February 1990.

Kaifu, who has enjoyed relatively high popularity since coming to power, led the party to victory in those elections, and stabilized his hold on power. His two-year term as LDP president ends October 30.

Leaders of the LDP's three out of five major factions—former deputy prime minister Kiichi Miyazawa, former finance minister Michio Watanabe, and former international trade and industry minister Hiroshi Mitsuzuka—have expressed their intention to run in LDP presidential election set for October 27.

Miyazawa, Watanabe, and Mitsuzuka will announce their candidacies soon after the current session of the Diet ends on October 4, their aides said.

Kaifu, who has been supported by the largest faction, led by former prime minister Noboru Takeshita, has not yet announced he will seek reelection as LDP president.

The LDP presidency carries with it the post of prime minister by virtue of the party's stable majority in the House of Representatives.

Ministry Releases New Client Compensation List

OW0110151891 Tokyo KYODO in English 1502 GMT 1 Oct 91

[Text] Tokyo, Oct. 1 KYODO—The Finance Ministry on Tuesday released a list of 26 cases involving institutional clients who received payouts by brokerage houses in the year ended March 1991 despite a written pledge by brokers that they would not make such payments.

The ministry said virtually all those listed had demanded compensation.

The list was made public in response to a request earlier in the day by a Social Democratic Party interpellator at a House of Councillors ad hoc committee session on securities and financial problems.

The questioner asked for a list of favored clients who were reimbursed after the brokers had exchanged confirmation letters in which they vowed not to compensate clients in the year ended March 1991.

The list included 22 instances in which institutional clients of Nikko Securities Co. used "eigyo tokkin" accounts, as well as four corporate clients who used regular stock trading accounts with Nomura Securities Co. and Yamaichi Securities Co.

"Eigyo tokkin" accounts are account where securities firms can freely invest clients' monety in any portfolio.

The list showed that the three brokerages paid out a total of 15,777 million yen in the 26 cases involving 24 institutional clients.

Among the recipients were a public school employees welfare fund and and a similar fund for local government employees.

Upper House To Approve Securities, Exchange Law

OW0210085091 Tokyo KYODO in English 0824 GMT 2 Oct 91

[Text] Tokyo, Oct. 2 KYODO—The House of Councillors will approve a revision of the Securities and Exchange Law designed to prevent financial scandals Thursday, completing action on the legislation, officials said Wednesday.

They said the government-introduced bill was passed unanimously Wednesday by the Chamber's Special Committee on Securities and Financial Problems.

The legislation has already been passed by the powerful House of Representatives.

The bill was one of major issues up for debate in the current session of the Diet, which is to close Friday.

The new law, due to go into effect within three months, imposes prison terms or fines for brokerage houses that compensate select clients for investment losses and recipients of such reimbursement.

It also bans so-called discretionary accounts, which allow securities companies to operate funds provided by clients at their own discretion, and stock trading under false names.

Brokerage employees violating the law could face up to one-year imprisonment or a maximum fine of 1 million yen. Recipients would be subject to up to six months in prison and a fine of up to 500,000 yen.

Windfall profits from loss compensation will be confiscated and subject to penalty tax.

Under the new law, a quasi-independent watchdog body will be established by the Finance Ministry to prevent unfair trading, including stock price manipulation

The government said it will introduce a new bill to complete a wholesale revision of the law at the next regular session of the Diet to be convened in January.

ANA Orders Pratt-Whitney Engines for Planes

OW0210093291 Tokyo KYODO in English 0853 GMT 2 Oct 91

[Text] Tokyo, Oct. 2 KYODO—All Nippon Airways Co. (ANA) has decided that the Boeing 777 aircraft it will introduce in 1996 will be mounted with an engine produced by Pratt and Whitney of the United States, ANA officials said Wednesday.

ANA has placed a firm order for 15 Boeing 777s and has an option to buy another 10. The purchase price of the "PW4073a" engines and parts will amount to some 95 billion yen, they said.

The company selected the engine after comparing them with engines made by General Electric Co. of the U.S. and Rolls-Royce PLC of Britain, they said.

'Highly Efficient' Solar Battery Developed

OW0210081391 Tokyo KYODO in English 0725 GMT 2 Oct 91

[Text] Tokyo, Oct. 2 KYODO—A government-funded research organization reported Wednesday it has developed a highly efficient amorphous nal-based [as received] solar battery in partnership with Sanyo Electric Co.

The New Energy Development Organization (NEDO), affiliated with the Natural Resources and Energy Agency, said the new device has an energy conversion ratio of 11.1 percent, claimed to be the world's highest.

The achievement was made in experiments with a practical size cell measuring 10 square centimeters, NEDO officials said.

The officials said the cell features a slender electrode on its surface and a layer of ultrathin film in order to boost electricity output.

They said amorphous metal-type cells are cheaper and easier for mass production than conventional silicon and crystal-based devices.

Results of the experiments will be reported at a solar energy meeting in the United States on October 10, they said.

Sharp Develops Light Solar Battery for Autos

OW0210111191 Tokyo KYODO in English 1047 GMT 02 Oct 91

[Text] Osaka, Oct. 2 KYODO—Sharp Corp. announced Wednesday the development of a lightweight solar battery that works well even in the shade.

The major consumer electronics company said it plans to launch the product next January for use in autos, a move that is expected to promote the development of electric-powered vehicles.

The company said the solar battery will produce only 15 percent less electricity in the shade, a drastic improvement from currently available solar batteries which are 80 percent weaker in the shade.

The solar battery, featuring a single crystal construction, weighs less than one-seventh the weight of currently available batteries with the same capacity, Sharp said.

Managing director Minoru Miyuki, announcing the development, said the lightweight solar battery marks a step forward toward using a solar battery as a power source in vehicles.

Japanese car makers are shifting their efforts to develop electric-powered vehicles into high gear because a new California clean air law mandates that by 1998, 2 percent of a manufacturers' sales in the state release zero emissions.

Housing Starts Plunge 22.8 Percent in Aug

OW3009133991 Tokyo KYODO in English 0914 GMT 30 Sep 91

[Text] Tokyo, Sept. 30 KYODO—Japan's housing starts in August plunged 22.8 percent from a year earlier to 110,478 units, extending the losing streak to 10 months, the Construction Ministry reported Monday.

The ministry said construction of owner-occupied houses decreased for the seventh straight month, totaling 35,315 units, down 12.6 percent.

Construction of rental housing continued to decline for the 13th straight month at 48,089 units, down 28.1 percent, while those for sale plummeted 29.4 percent to 22,989 units, marking the fifth straight year-to-year fall, the ministry said.

Of the houses for rent, condominiums accounted for 13,946 units, down 27.5 percent, posting a year-to-year fall for the fourth straight month.

Construction of condominiums made a downturn in May after 16 months of increases, the ministry said.

The ministry predicted housing construction will recover gradually, citing an increasing number of applications for loans for housing construction amid declining interest rates.

Poll Shows 'Record' Popularity Level for LDP

OW0210083891 Tokyo KYODO in English 0800 GMT 2 Oct 91

[Text] Tokyo, Oct. 2 KYODO—The ruling Liberal Democratic Party (LDP), headed by Prime Minister Toshiki Kaifu with a scandal-free record, enjoyed a record 64.8 percent popularity level, according to a KYODO news service poll released Wednesday.

The LDP's all-time high popularity rate represented an increase of 4.3 percent from the last poll in August and came just as some influential party members launched a campaign to unseat Kaifu.

The latest poll, conducted September 28-29, also showed that public support for Kaifu's cabinet remained strong, with 56.7 percent of respondents rallying behind his two-year-old government. The figure is only down slightly from a record 57.1 percent set in the August poll.

Public disapproval for Kaifu's cabinet also dropped slightly, down 1.6 point to 36.7 percent, it said.

A series of financial scandals involving major brokerages and banks this past summer apparently had little impact on voters, political analysts said.

Public support for the Social Democratic Party (SDP) continued to erode, with only 12.2 percent of respondents saying they favored the country's largest opposition party, the KYODO poll showed. The current rating was the party's lowest and was down from 13.8 percent recorded in the previous survey.

The approval rating for all opposition parties combined fell to 19.2 percent, the first time it went below the 20 percent mark.

The KYODO poll was based on interviews with 3,000 people across the country. The response rate was 62.6 percent, with 1,879 returning questionnaires. Of the respondents, 49.2 percent were men and 50.8 percent were women.

The poll showed that 44.0 percent of those who supported Kaifu's cabinet said they could find no alternative politician to support.

Among supporters, 22.6 percent said they do so because they trust Kaifu, while 14.1 percent said they support the prime minister because he represents the ruling party.

Other parties scored ratings even lower than those reported in the last survey, with voters giving a mere 3.3 percent approval rating to Komeito, 1.6 percent for the Japanese Communist Party, and 1.4 percent for the Democratic Socialist Party.

Mongolia

Presidential Decree Imposes Price Controls

OW3009132791 Beijing XINHUA in English 1221 GMT 30 Sep 91

[Text] Ulaanbaatar, September 30 (XINHUA)—Mongolian President Punsalmaagiyn Ochirbat issued a decree Sunday imposing stricter price controls aimed at softening the country's economic crisis.

The presidential decree enjoined the Mongolian Government and state bank to adopt measures for price control and production growth by November 1, 1991.

It also called on the government to formulate an overall plan for market-oriented social and economic development by 1992.

Ulaanbaatar had plunged into a deepening crisis fueled by a continued drop in production and a worsening financial situation with industry and technology in a parlous state, it said.

Mongolia must tighten control over its economy, the decree said.

Ulaanbaatar lifted price controls on 76 percent of all commodities and started privatization plans at the end of last year in an effort to promote a market-oriented economy.

But the country's economic situation turned out to be incompatible with the plan, and the measures only induced further drops in production and commodity scarcity in the country.

North Korea

Reports of Antigovernment Demonstrations Denied

SK0210111091 Pyongyang KCNA in English 1036 GMT 2 Oct 91

["Silly Talk of Those Driven to the Wall"—KCNA headline]

[Text] Pyongyang October 2 (KCNA)— The South Korean puppets set afloat a false report through radios and newspapers that another "anti-government demonstration" took place in Sinuiju of the northern half of Korea on September 27. Following Hitler's doctrine that if one is to tell a lie, he should tell a big lie, they said the "anti-government demonstration" was "of a big scale" and they took the form of quoting "words" of a "Chinese broker" to make it sound real.

It is, indeed, a silly jargon.

Like the report about the "anti-government demonstration" which they said took place in Sinuiju on August 27, it is also a preposterous false report.

If there is anything different, it is that this time they veiled the fiction with "objective report," quoting "words" of a "Chinese broker," though in the previous time they let Yi Kwang, a swindler and an underling of the "Security Planning Board", let out a string of lies.

If the report were really based on the words of a Chinese broker, why did they fail to name the broker query in faking up preposterous lies, the wretches could not but invent an imaginary source. [sentence as received]

As far as an anti-government demonstration is concerned, it is an inevitable and inherent product of the South Korean society, an anti-national, anti-popular colonial fascist society.

The clamour of the puppets about something like an "anti- government demonstration" in the northern half of the country is a sarcastic cartoon reminding us of a crow calling a swan black. It is a thinly-veiled argument intended to shift their own inborn faults on to others.

It is because they find themselves in a poor and critical position that they attempt to decry our republic by inventing such absurd false report.

Although the No group is trying to gratify its ambition for "unification through absorption by prevailing over communism" with the help of outside forces, taking advantage of the change in the international situation, the situation in our country is developing contrary to their expectations.

The republic's socialism of our own style based on the mighty singlehearted unity of the leader, the party and the masses is emerging ever-victorious without the slightest vacillation in face of the situation in the Soviet Union and East Europe, and the longing of South Korean students and people for it is growing stronger with every passing day. The desire for reunification through alliance with communism and the North is also running higher among the Koreans overseas as days go by.

By contrast, the puppets are being further isolated and rejected by the people with their separatist, treacherous and fascist nature dragged into the light of day.

Driven into a tight corner, they have repeatedly spread false reports in a bid to create the impression that our society has problems within it and thus to dampen the intense longing of South Korean people for the superior socialist system of the northern half of Korea and the fervent desire of Koreans overseas for reunification and fine a way out of their serious ruling crisis.

However, such a base method of intriguing against others with false talk in a flurry will go down with no one.

We would like to speak a few words to the radio and newspapers which conveyed the report without any serious consideration or examination.

To spread a lie is worse than to invent it.

If they belong to the unbiased press media, they should discern between the false and the true and refuse to act a mouthpiece for the tricksters.

'Infiltration' by South Combat Ships Alleged

SK0210134691 Pyongyang Korean Central Broadcasting Network in Korean 1150 GMT 2 Oct 91

[Text] This is news that has just come in. The South Korean puppets committed a grave military provocation by infiltrating three combat ships deep into territorial waters in the West Sea of our country.

The South Korean puppets today committed a grave military provocation by illegally infiltrating a group of combat ships deep into our country's territorial waters of the West Sea.

At around 1552 today, the South Korean puppets, with the purpose of carrying out a hostile act, infiltrated three combat ships, making close formation, in broad daylight deep into our side's territorial waters south of Kangnyong peninsula in the West Sea.

The naval patrol boats of the Korean People's Army [KPA], which were carrying out routine marine guard duty to defend marine outposts of our socialist fatherland with vigilance, mobilized urgently, and advanced to the sea zone on the spot.

Since they were unable to realize their vicious attempt owing to the advance of the KPA's naval patrol boats, the rascals hurriedly fled toward the South.

That the current incident of infiltration of the puppets' combat ships did not expand to an armed clash between the two sides is the result of a lofty sense of patience and self-restraint displayed by the naval and marine soldiers and artillery troops of our People's Army.

The South Korean puppets' reckless act of infiltrating combat ships is a premeditated provocative maneuver designed to artificially aggravate confrontation and tension on the Korean peninsula.

The South Korean puppets should ponder the grave consequences arising from the reckless military provocations against the northern half of the Republic. They should act with discretion.

U.S. Said To Admit Nuclear Weapons Deployment

SK0210051891 Pyongyang KCNA in English 0435 GMT 2 Oct 91

["U.S. Admits Deployment of Nuclear Arms in South Korea"—KCNA headline]

[Text] Pyongyang October 2 (KCNA)—The U.S. Government admitted for the first time that its troops present in South Korea have tactical nuclear weapons including "Lance" missiles, according to a CBS report.

Such fact was reportedly disclosed by "Nuclear-Capable Army" distributed by the U.S. Defence Department.

According to the radio report, the U.S. Forces present in South Korea have deployed in an operational zone one battery of ground-launched "Lance" missiles capable of delivering nuclear warheads and have three artillery battalions with 72 guns capable of launching nuclear shells and one artillery battalion with 24 nuclear-capable howitzers.

Reporting this, the radio said that this statement of the U.S. Defence Department was the most authentic admission of the deployment of tactical nuclear weapons in South Korea among the statements released hitherto by the United States.

The U.S. imperialists have so far concealed the deployment of nuclear weapons in South Korea.

The CBS quoted the Japanese KYODO News Service as saying that ground tactical nuclear combat forces are deployed in Europe, South Korea, Japan, etc. and Pentagon confirmed that "Lance" missiles and nuclear warhead unit are deployed in South Korea.

Daily Urges U.S. Withdrawal of Nuclear Arms

SK2809103891 Pyongyang KCNA in English 1009 GMT 28 Sep 91

["Withdrawal of U.S. Nuclear Weapons From South Korea and Peace in Asia"—KCNA headline]

[Text] Pyongyang September 28 (KCNA)—When the U.S. troops and nuclear weapons are withdrawn from South Korea and the Korean peninsula turns into a nuclear-free, peace zone, the most dangerous hotbed of nuclear war in the world will be removed and a giant stride be taken in maintaining peace in Asia and the rest of the world, says an article of NODONG SINMUN today.

The author of the article says:

The danger of nuclear war created on the Korean peninsula is a direct product of the U.S. Asia-Pacific strategy.

The United States attaches strategic importance to South Korea, its last resort in Asia, and regards it as its military bridgehead for its Asian strategy.

With South Korea as its base, the United States is trying to strangulate our Republic and, furthermore, to invade and dominate other Asian countries.

For this purpose, U.S. imperialism started to introduce large quantities of nuclear weapons into South Korea from 1957 and has converted it into the biggest nuclear base in the Far East.

It is not merely for striking our Republic that the United States has shipped nuclear weapons into South Korea. Over 1,000 pieces of nuclear weapons are deployed in South Korea. Among them are nuclear weapons whose range go beyond the boundary of Korea.

The danger of the U.S. nuclear weapons in South Korea lies in that they may send up a mushroom cloud any moment.

"Team Spirit" joint manoeuvres and other war games aimed at the use of nuclear weapons are being staged one after another in and around South Korea. In fact, the nuclear weapons in South Korea are in full readiness to be launched.

If the Asian countries are to be cleared of nuclear threat, the U.S. nuclear weapons must be taken out of South Korea and the Korean peninsula be denuclearised.

Our reasonable and realistic proposals and initiatives to fundamentally remove the nuclear threat from the Korean peninsula have not yet been realised owing to the obstructive moves of the United States.

There is no justification for the United States to keep its nuclear weapons in South Korea.

If the United States continue to aggravate the situation on the Korean peninsula, not withdrawing its aggression forces and nuclear weapons from South Korea, it will certainly face fiercer denunciation and rejection from the Korean people and the peaceloving peoples of the world.

Joint U.S., South Military Exercises Reported

25, 26 Sep Exerises

SK2809054391 Pyongyang KCNA in English 0419 GMT 28 Sep 91

[Text] Pyongyang September 28 (KCNA)—The U.S. Pacific Air Force Command together with the South Korean puppet air force staged a joint ground strike exercise aimed at increasing capabilities of joint strike at targets in the strategic depths of the northern half of Korea in the sky above Oeyon and Anmyon islets on September 25 and 26, according to military sources.

Mobilized in it were F-4s, F-5s and F-16s belonging to the U.S. Seventh Air Force present in South Korea and the puppet air force, more than 200 all told.

In separate action, the South Korean puppets deployed 105 mm artillery groups in Chongja-ri, Paju County, on the 25th and in Chongsa-ri, Yonchon County, on the 26th, which fired some 40 shells at a place near the Military Demarcation Line.

On September 25, the South Korean puppets mobilized formations of C-123 transport planes carrying "commandos" in a parachuting exercise simulating infiltration into the depth of the North side in the sky above Inchon.

More than 600 warplanes were mobilized in war exercises of various names, such as aerial and ground strike, support of ground and naval attack and airlifting exercises in the sky above South Korea on September 26 alone.

30 Sep Air Exercises

SK0210044291 Pyongyang KCNA in English 0429 GMT 2 Oct 91

[Text] Pyongyang October 2 (KCNA)—The U.S. Pacific Air Force command on September 30 staged a joint air strike exercise against targets in the strategic depths of the northern half of Korea with the skies above Oeyon Islet, Sangju, Sangdong, Tokjok Islet of South Korea as the operational theatre, according to military sources.

Mobilised in the exercises were F-4s, F-16s, A-37s, OA-10s belonging to the U.S. Airforce present in South Korea and the puppet airforce, more than 300 all told.

In September the U.S. imperialists brought E-3A AWACs and EH-60 electronic warfare helicopters to the sky above the area along the Military Demarcation Line [MDL] several times and let them make shuttle flights for aerial photographing of objects in the strategic depths of our side and all-round electronic espionage on targets in the frontline area.

On October 1, the U.S. imperialists let a U-2 high-altitude strategic reconnaissance plane fly over the area along the MDL from the east to the west for photographing and electronic espionage on the depths of the northern half of the country. Such acts numbered some 40 cases in September.

Aerial espionage by various types of reconnaissance planes of the U.S. imperialists totaled more than 210 cases in September.

Premier Greets PRC Counterpart on Anniversary

SK0210082891 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 30 Sep 91

[Text] Comrade Yon Hyong-muk, premier of the DPRK State Administration Council, sent a congratulatory message to Comrade Li Peng, premier of the State Council of the People's Republic of China. The message extended the warmest congratulations to him and the fraternal Chinese people on the 42d anniversary of the founding of the PRC and continued:

During the past 42 years the Chinese people have achieved brilliant results in socialist revolution and construction under the correct leadership of the CPC. They have thus changed China, once a poor and backward country, to a new and prosperous China. They are also vigorously advancing along the road of socialism that they chose themselves, even under the present complicated international situation.

All the Chinese people's achievements are a great encouragement and strength for our people, who are struggling to achieve the common goal. The Korean people firmly believe that the traditional relations of friendship between the two countries, which have surmounted all sorts of trials throughout history, will be further consolidated and developed in the future, too.

In conclusion, the message sincerely wished him greater success in his responsible work to fulfill the 10-Year Prospective National Economic and Social Development Plan and the Eighth Five-Year Plan.

PRC Cultural Delegation Ends Visit

SK0210083391 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 23 Sep 91

[Text] A Chinese Government cultural delegation headed by He Jingzhi, acting minister of culture, flew home today.

Ho Paek-san, first vice minister of culture and art, and Zheng Yi, PRC ambassador to our country, saw the delegation off at the airport.

New Overseas Korean Group in Japan Inaugurated

SK3009110391 Pyongyang KCNA in English 1012 GMT 30 Sep 91

[Text] Pyongyang September 30 (KCNA)—The "Society for the Rescue of Pomminnyon-Related People" was formed in Tokyo on September 13, an Overseas Koreans' newspaper said.

At the inaugural meeting the vice-chairman of the Japanese regional headquarters of the Pan-National Alliance for the Country's Reunification (Pomminnyon) delivered a report on the subject "Situation of the Struggle for the Democratization of South Korea and the Reunification Movement".

He said that Japan is to blame for the division of Korea and demanded that "the Japanese Government which has been involved in the maintenance of the structure of division rectify its policy toward the Korean peninsula".

Denouncing the criminal act of the No Tae-u fascist clique in arresting the South side's delegates who had participated in the Berlin tripartite working-level talks of Pomminnyon, the meeting adopted a resolution vowing to vigorously fight for their release.

Korean Youth Groups in Japan Urge Reunification

*SK3009105191 Pyongyang KCNA in English
1008 GMT 30 Sep 91*

[Text] Tokyo September 27 (KNS-KCNA)—The South Korean Youth League in Japan (Hanchong) and the Council of Korean Students in Japan for National Reunification (Haksaenghyop) held a "meeting of youth and students to smash the ruinous diplomatic moves of the United States and the No Tae-u 'regime' for division, turn the Korean peninsula into a nuclear-free zone and get a nonaggression declaration adopted" in Tokyo on September 17, according to MINJOK SIBO, the Overseas Koreans' newspaper published in Japan.

At the meeting Kim Chang-o, chairman of Hanchong, underlined the importance of the Japan regional struggle in the reunification movement and called for further developing the struggle for national reunification.

The meeting confirmed again the adoption of a nonaggression declaration, the signing of a peace agreement and the proposal for reunification through confederacy and adopted a five-point joint resolution including the convocation of a political consultative conference for national reunification, the withdrawal of the U.S. troops and nuclear weapons from South Korea, simultaneous nuclear inspection and the inauguration of the pan-national youth and student alliance for national reunification.

Overseas Korean Group in Japan Decides Program

*SK3009110991 Pyongyang KCNA in English
1019 GMT 30 Sep 91*

[Text] Tokyo September 27 (KNS-KCNA)—The "Union of Koreans in Japan for Democracy and Reunification" (Hantongnyon), a South Koreans' organisation in Japan, held an enlarged meeting of its Central Standing Committee on September 9 and 10 and discussed and decided the action program for the latter half of the year, according to MINJOK SIBO, an Overseas Koreans' newspaper.

The organisation set it its fighting goals to build a democratic anti-"DLP [Democratic Liberation Party]" coalition for the grand unity of people, strengthen the activities of Pomminnyon, oppose the "security-oriented rule" and get political prisoners released and expand and strengthen itself and vowed to vigorously fight to attain these goals.

It laid stress on conducting an international signature campaign from October on the initiative of the overseas headquarters of Pomminnyon as part of the struggle for the denuclearisation of the Korean peninsula, backing the grass-roots people in their fight for the right to existence and intensifying the struggle for the abrogation of the "National Security Law".

Vice Foreign Minister Visits France 23-27 Sep

*SK2909084291 Pyongyang KCNA in English
0824 GMT 29 Sep 91*

[Text] Pyongyang September 29 (KCNA)—Kang Sok-chu, first vice-minister of foreign affairs, visited France from September 23 to 27 as a special envoy of the DPRK Government at the invitation of the French Government.

During his visit, the special envoy had talks with the secretary of state of the French Foreign Ministry.

At the talks, they exchanged views on issues of mutual concern.

The secretary general of the French Foreign Ministry arranged a luncheon for the special envoy and his entourage on September 26.

Returns Home 28 Sep

SK0110032691 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 28 Sep 91

[Text] First Vice Foreign Minister Kang Sok-chu, deputy chief of the DPRK delegation that participated in the 46th session of the UN General Assembly, and some of the members returned home on 28 September by plane.

The members of the delegation were received at the airport by Vice Foreign Minister Cho Kyu-il and Counselor (Zhang Jingji) of the embassy of the People's Republic of China to our country.

Student Groups Denounce 'Blocking' of Exchanges

*SK2809084491 Pyongyang KCNA in English
0525 GMT 28 Sep 91*

["South Korean Authorities Must Give Up at Once Anti-Reunification Acts Obstructing Independent Exchange Between Students of North and South"—KCNA headline]

[Text] Pyongyang September 28 (KCNA)—The South Korean authorities must look squarely at the aspiration of the nation, immediately give up their anti-reunification acts laying obstacles in the way of independent exchange between students of the North and the South and unconditionally open the road of northern trip to students of Konguk University.

The Korean Students Committee and the students committee of Kim Il-song University said this in a joint statement on September 27 denouncing the South Korean authorities for illegally blocking the northern excursion of students of the National Language Course of Konguk University of South Korea which had been agreed upon.

As a result of working-level contacts held twice between students of the Korean Language Department of Kim Il-song University and of the National Language Course of Konguk University of South Korea, the visit of the study tour group of Konguk University to the northern half of the country became a fait accompli, the statement says, and continues:

The South Korean ruling quarters, however, was mean enough to insist that they had "approved" only the application of students for contact, not their visit to North, declaring that they can never "approve" the visit to the North by students of Konguk University because students would debate on reunification and the Pan-National Alliance of Students for Reunification (Pomchonghaknyon) would intervene in it.

The intention of students in the North and the South to take the van in opening the road of independent exchange, reunification- orientated exchange and free exchange in order to connect the severed blood vessels of the nation and open the door of reunification is a great patriotic deed for the country and the nation, the statement notes, adding: this offers no problem at all.

The South Korean authorities themselves talk about "exchange", "opening" and "reunification. So there is no ground for them to take issue with the agreement on the independent exchange between students and obstruct it.

Nevertheless, the South Korean authorities categorically refuse for no justifiable reason that they cannot "approve" the visit of students of Konguk University to the northern half of the country. This shows of its own accord that their phraseology of "exchange", "opening","reunification" and the like are all lies and deception.

In blocking the northern trip of students of Konguk University and the southern trip of our students, the South Korean ruling quarters clearly showed once again that they have no intention to reunify the country.

It is a foolish dream for the South Korean ruling quarters to try to block the vigorous grand reunification march of students in the North and the South and the fellow countrymen toward reunification.

We will struggle to the end to frustrate the splittist moves of the South Korean ruling quarters, realize independent exchange between students in the North and the South and accomplish the historical cause of national reunification in close unity with youth and students in South Korea and abroad who are possessed of strong hearts of reunification and patriotism.

Students Appeal to South Unification Board Head

SK3009083191 Pyongyang KCNA in English
0809 GMT 30 Sep 91

[Text] Pyongyang September 30 (KCNA)—Choe Hyontok, chairman of the Korean Student Committee, and Kim Su-san, chairman of the student committee of Kim Il-song University, today sent a telephone message to Choe Ho-chong, minister of the Unification Board of South Korea, in connection with the fact that the South Korean authorities are blocking inter-Korean student exchange.

Recalling that working-level talks between student delegates of two university faculties was held on the initiative of students of the national language course of Konguk University of South Korea and with the students of the Korean Language Department of Kim Il-song University of the North responding to it, and a [words indistict] of views was reached on all matters related to the exchange of study tour groups, they in the message lodged a strong protest with the South Korean authorities against their acts of blocking it.

The message says:

Should the language students of the divided nation not be allowed to visit the North because a language seminar or a discussion of ways of jointly creating literary works on the theme of reunification reflecting the nation's desire for reunification during the study tour offers problem, we cannot understand why your authorities intend to visit Pyongyang and sit face to face with our side to discuss the question of reunification.

Hence, we cannot but ask what face your authorities have to talk about "exchange" and "unification," while not opening the door of exchange for some 100 students, and we cannot but view your authorities' talk about "unification" as false.

The message urges the South Korean authorities to discard their wrong attitude of holding an exclusive sway over the question of national reunification and seeking division and confrontation.

It expresses the hope that the South Korean unification board minister will unconditionally take necessary steps to ensure a study tour of the North by students of the national language course of Konguk University as scheduled.

South Student Attacks on U.S. Buildings Noted

SK2809103291 Pyongyang KCNA in English
1007 GMT 28 Sep 91

[Text] Pyongyang September 28 (KCNA)—South Korean students attacked four U.S. imperialists' local aggressive tools this year, according to a SEOUL SINMUN report.

On June 28, an estimated 500 students attacked the "American Cultural Centre" in Kwangju and waged a sit-in strike, charging that the U.S. troops' presence in South Korea blocks the reunification of the Korean peninsula.

South Korean students have raided 317 repressive organs of the puppet authorities including police stations this year.

233 puppet police stations were attacked by students.

Waging vigorous struggle for independence against U.S., for democracy against fascism, students attacked 118 puppet police stations, courts and prosecutor's offices in September alone.

South Society for Supporting Dissident Meets

*SK2809153091 Pyongyang KCNA in English
1504 GMT 28 Sep 91*

[Text] Pyongyang September 28 (KCNA)—The Society for Supporting Yim Su-kyong in South Korea held the first regular meeting at the Hyangnin Church in Seoul, according to the September issue of "ONE NATION" published by the society as quoted by the Tokyo-based Korean News Service.

The meeting attended by some 60 members of the society including Yim Pan-ho, father of Yim Su-kyong, reviewed the work done by the society over the last one year since its formation and adopted a resolution.

The resolution noted that the organisation was formed to inherit the heroic patriotic deed and will of Yim Su-kyong, the "flower of reunification." The reunification of the country is the short cut to sweeping away all the vices, corruption and irregularities and building a democratic society where people live a life worthy of human beings.

The authorities hell bent on propping up the "regime" are acting against the times and reunification by continuing to arrest advocates of reunification such as coed Yim Su-kyong and Rev. Mun Ik-hwan while paying lip service to reunification and throwing behind bars many patriotic advocates of democracy and reunification by invoking the "National Security Law," it pointed out.

The resolution strongly urged the authorities to release the visitors to the North including Yim Su-kyong, Mun Ik-hwan and Father Mun Kyu-hyon, abolish the "National Security Law," release all the pro-reunification democratic figures and recognise the pan-national alliance for the country's reunification.

South Bows To U.S. in Opening Rice Market

*SK2709153591 Pyongyang KCNA in English
1500 GMT 27 Sep 91*

[Text] Pyongyang September 27 (KCNA)—The South Korean authorities are revealing their true color as a colonial stooge by wholly accepting the U.S. imperialists' demand for the opening of the rice market.

No Tae-u set afloat the rumor of one percent opening decision on the rice market through some media to sound the reaction of the people before his trip to the United States last June.

When the farmers and students promptly reacted with a demand for its confirmation, the authorities wore an air of innocence, denying the 1 percent decision.

No Tae-u closeted with his master over the liberalization of the rice market on this basis during his U.S. trip and reached a certain agreement.

And the authorities made the Rural Economy Institute under the "Ministry of Agriculture, Forestry and Fisheries" announce the possible impact of rice market opening. This was also a ruse to get ready for the opening.

In the announcement the institute stated that in the first year of market opening the price of rice would fall and production decrease, the income of the farmhouses would slide down 644,000 million won, 36 percent of the total paddy area be devastated in ten years and 110,000 people would lose jobs.

This announcement manipulated by the South Korean authorities was intended to make the farmers accept the rice market opening as a fait accompli and pin no more hope on farming.

This shows that the South Korean authorities plan to open rice market at any cost to stay in power long by winning the favour of the U.S. imperialists.

Sentencing of South Dissidents Reported

*SK2809102091 Pyongyang KCNA in English
1001 GMT 28 Sep 91*

[Text] Pyongyang September 28 (KCNA)—The South Korean fascist authorities held a trial at the puppet Seoul District Criminal Court on September 25 on an appeal of Cho Yong-sul, Yi Hae- hak and Cho Song-u who had participated in the tripartite working- level talks of the Pan-National Alliance for the Country's Reunification (PNACR) held in Berlin toward the end of last year as delegates of the South side's promotion headquarters for the pan- national rally, and dismissed the appeal, sentencing them to one year and six months in prison, according to a radio report from Seoul.

The three delegates including the Rev. Cho Yong-sul pleaded not guilty, contending that it was a righteous deed for the country and the nation that they went to Berlin and discussed the reunification question with delegates of the North and overseas sides. The fascist authorities, however, dismissed their appeal.

South Authorities Seek 'To Stifle' Chondaehyop

*SK0210103291 Pyongyang KCNA in English
1001 GMT 2 Oct 91*

[Text] Pyongyang October 2 (KCNA)—The South Korean authorities are trying to stifle the national council of student representatives (Chondaehyop), a legitimate organisation of one million students.

Having arrested the third- and fourth-term chairmen of Chondaehyop with the mobilisation of all police dragnets and intelligence agents and sentenced them to heavy penalties, the authorities published "results of investigation" allegedly revealing "the whole picture of Chondaehyop" in the name of the "Security Planning Board" in late July.

In the "results of investigation" the authorities branded Chondaehyop as an "organisation benefiting the enemy" under the groundless pretext that the organisation is wholly accepting the "assertions of the North" and is "manipulated behind the scene" by the South Korean National Democratic Front (Hanminjon) and "the

Chuche Idea Group" and issued an order to the police throughout South Korea to arrest the hardcore members of Chondaehyop.

The authorities indicted Kim Chong-sik, chairman of Chondaehyop, and eight hardcore members of the organisation by invoking the illfamous "national security law" and recently arrested four more hardcore members including policy members of the organization and put more than 90 members of it on the want list.

They also are further fascistising campuses and tightening watch on them than under the "Fifth Republic" dictatorship in a bid to stifle Chondaehyop.

The number of students thrown behind bars ever since the appearance of the "Sixth Republic" is more than two times those under the "Fifth Republic". And triple intelligence posts of the police, the "Security Planning Board" and the "secret affairs command" are installed around campuses.

Statement Denounces South Defense Minister

SK0110153791 Pyongyang KCNA in English 1514 GMT 1 Oct 91

[Text] Pyongyang October 1 (KCNA)—The spokesman of the Committee for the Peaceful Reunification of the Fatherland [CPRF] issued a statement today, denouncing the puppet defence minister of South Korea for making a bellicose outburst recently again.

The statement says:

Yi Chong-ku, South Korea's puppet defence minister, told a "National Assembly" hearing September 27 that "military options are desirable to curb the nuclear programme of the North."

We strongly denounce his outburst as an open challenge to us and a declaration of war against the nation, peace and reunification.

His bellicose outburst is a premeditated and deliberate one to aggravate the tension between the North and the South and increase the danger of war.

A few days after the traitor No Tae-u talked about "peace" and "nonaggression" at the United Nations, his ranking agent openly declared an attack on the North. Is there any need to prove that their "peace" ballad is sham?

The South Korean puppets who do not know what they say due to their obsession with aggression on the North have lost the face and the cheek to recite again "peace" and "nonaggression."

Our nation cannot live in peace and the peace and peaceful reunification of the country are not expectable as long as the U.S. imperialists and their stooges devoid of reason and discretion who let no chance pass by without mentioning "surprise strike" and "attack" in open challenge to the nation's desire for peace are left alone.

Such bellicose element as Yi Chong-ku hell bent on plunging the nation into the scourge of war must be removed unconditionally.

If the South Korean authorities keep such war-maniac as Yi Chong-ku as "defence minister" this time, too, they will reveal by themselves that the South Korean "regime" is an anti-peace, anti- reunification group seeking North-South confrontation and aggravation of the tension, and they will certainly be denounced at home and abroad.

Students, Teachers Denounce U.S. for 'Murder'

SK2809110591 Pyongyang KCNA in English 1023 GMT 28 Sep 91

[Text] Haeju September 28 (KCNA)—A meeting of teachers and students was held at Kim Chong-tae University today to denounce the U.S. imperialists and the No Tae-u fascist clique for brutally murdering Han Kuk-won, a postgraduate of Seoul National University.

Recalling that the South Korean ruling group which clubbed and trampled under jackboots to death students Kang Kyong-tae and Kim Kwi-chong in broad daylight murdered Han Kuk-won in cold blood again, the speakers at the meeting angrily said this shuddering murder fully showed the world that the military fascist "regime of the Sixth Republic" is a group of nation-butchers far outdistancing the "Yusin" and "Fifth Republic" dictatorships.

They exposed that the whole of South Korea is now in a bloody terror-ridden atmosphere created by the fascist rampage of the No Tae-u fascist clique, a group of murderers, and an unheard-of blood-curdling massacre operation is being committed against the pro-reunification democratic forces.

They declared that the No Tae-u group can neither conceal its fascist nature nor shirk its responsibility for the murder of Han Kuk-won by any sophism or fine-sounding excuses.

The South Korean students and other people will never spoil the blood shed by Han Kuk-won, they said, calling for more daringly waging the struggle for independence, democracy and reunification to settle the grudge of the passionate young man.

'Premeditated' Killing of South Student Condemned

SK2909091391 Pyongyang KCNA in English 0839 GMT 29 Sep 91

["Mastermind of Murder Defending Murderer"—KCNA headline]

[Text] Pyongyang September 29 (KCNA)—The South Korean puppet National Police Agency published an "opinion on the legal investigation" into the pistol firing at Han Kuk-won, a postgraduate of Seoul National University. The puppets said the killing of Han Kuk-won is a "self-defensive act" and "cannot be incriminated under the present law."

NODONG SINMUN today denounces this as an intolerable challenge and insult to the South Korean students and people who demand the probe into the murder of Han Kuk-won and the punishment of the murderers.

The news analyst says:

From the outset of the incident, the puppets concocted plots to bury into obscurity the truth of the murder, far from working to probe the truth and punish the murderers.

The "opinion on the legal investigation" published by the puppets is part of those plots.

The General Student Council of Seoul National University and many witnesses contend that the murder was committed in a premeditated way while the situation was not urgent enough for the police to fire guns.

It is an elementary common sense of law that the police killing of a postgraduate with a pistol cannot be a "self-defensive act" as the puppet police had no ground to fire guns.

By defending the murderers who shot to death a guiltless person, the puppets openly implied that they would continue such atrocity.

Kim Yong-sun Addresses Solidarity Marchers

SK0210092791 Pyongyang Korean Central Broadcasting Network in Korean 0600 GMT 29 Sep 91

[Report by Kim Yong-sun, secretary of the Central Committee of the Workers Party of Korea, chairman of the Korean Committee for Solidarity With World People, and chairman of the Korean Anti-Nuke Peace Committee, at a joint meeting of participants in the international solidarity march for supporting Korea's reunification held at the Moranbong Youth Park open theater in Pyongyang on 29 September—recorded]

[Text] Respected delegates: I warmly welcome the many delegates who have come to our country from all over the world with feelings of friendship toward our people and solidarity with the cause of peace and the reunification of Korea. [applause]

We are convinced that this joint meeting of participants in the international solidarity march for supporting Korea's reunification will contribute greatly to encouraging our people's struggle for peace and the reunification of Korea and to further strengthening and developing the international solidarity with the cause of Korea's reunification. [applause]

The international solidarity march for supporting Korea's reunification began with the appeal of the emergency meeting of the International Liaison Committee for Korea's Reunification and Peace held in Paris last February and since has been held extensively on a global basis. Since its first meeting in India last March, the international solidarity march has been participated in by political parties and organizations from hundreds of countries and international and regional organizations and millions of peace-loving figures have participated in the international signature-collection campaign for supporting Korea's independent and peaceful reunification. In Kathmandu, capital of Nepal, and Vienna, capital of Austria, grand meetings of solidarity with the denuclearization of Korea were held by Asian and European political parties and organizations. This shows that support for our people's struggle for peace and the country's reunification has become an unstoppable worldwide trend.

In the international solidarity march, daily-increasing serious worries have been expressed over the danger of nuclear war on the Korean peninsula, and the voices calling for withdrawal of U.S. troops and nuclear weapons from South Korea and for turning the Korean peninsula into a nuclear-free zone are growing louder. The participants in the solidarity march invariably stressed that the issue of preventing a nuclear war, ensuring peace, and realizing reunification on the Korean peninsula is not only of vital importance to the Korean people, but is a most urgent and important international issue that should be resolved urgently for peace and security in Asia and the world as well. They strongly maintained that the independent and peaceful reunification of Korea should be realized without delay. I take this opportunity to express my sincere gratitude to the Secretariat of the International Liaison Committee for Korea's Reunification and Peace, the regional and national committees for supporting Korea's reunification, the organizations of friendship and solidarity with the Korean people, and the present delegates who initiated the international solidarity march and actively made effort for the march's success. [applause]

Delegates: To live in a peaceful world free from nuclear weapons and war is the consistent aspiration of progressive mankind and the demand of the times. Today, the overall atmosphere of confrontation is alleviating in the international arena. Nevertheless, the danger of nuclear war is increasing even more on the Korean peninsula, gravely threatening the peace and security in Asia and the world. This situation is totally attributable to the vast deployment of nuclear weapons, some 1,000 units for real war purposes, in South Korea by the United States which is habitually engaged in a nuclear blackmail policy against the people of our country and Asia.

The United States holds South Korea as a nuclear forward base against our Republic and other countries in Asia, continually conducting nuclear military exercises such as Team Spirit. The United States recently worked out a 120-day Korean war scenario presupposing the use of nuclear weapons in case of emergency on the Korean peninsula, openly raving that the next area where a local war is most likely to occur after the Persian Gulf war is the Korean peninsula. In particular, the United States, raving about the nonexistent development of nuclear weapons by us, is further straining our country's situation.

The entire world publicly acknowledges that we have no nuclear weapons, that we have neither the capability nor intention to develop nuclear weapons, that we have consistently opposed the testing, production, and proliferation of nuclear weapons, and that we have demanded that the Korean peninsula be turned into a nuclear-free zone.

The United States is babbling about nuclear inspection of us. It is doing so in order to mislead the just and daily-growing voice of our people and the world's peace-loving people who demand that the U.S. nuclear weapons deployed in South Korea be withdrawn and to justify its policy of nuclear blackmail on the Korean peninsula. Out of a desire to fulfill the obligations of the Nuclear Nonproliferation Treaty, the government of our Republic, a signatory to this treaty, took the progressive measure of reaching an agreement on the nuclear safeguards accord through sincere negotiations with the International Atomic Energy Agency and expected that, then, the United States would take the positive measure of examining the problem of nuclear weapons concerning us and removing threat from nuclear weapons. However, despite the sincere efforts of our government, the United States has not taken any measure to remove its nuclear threat to us. Rather, it has forcibly pressured us in connection with the nuclear safeguards accord, violently interfered in our country's sovereignty and internal affairs, and erected an artificial obstacle to our signing of the safeguards accord. Instead of forcing our country to accept unilateral nuclear inspection, the United States must hold talks with us over the problem of withdrawing its nuclear weapons from South Korea and the problem of its guaranteeing the nonuse of nuclear weapons against our country in order for us to sign the nuclear safeguards accord.

We welcome the fact that the U.S. person in authority said that the short-range nuclear weapons would be withdrawn from ground and naval bases, and hope that practical measures for this will be taken at the earliest possible date. In view of the recent speech by the U.S. person in authority, we demand that measures must duly be taken as soon as possible to withdraw nuclear weapons from South Korea, too.

If the United States withdraws its nuclear weapons from South Korea and, in reality, ceases to be a nuclear threat to us, a road will open for our signing of the nuclear safeguards accord. If the danger of a nuclear war is to be removed from the Korean peninsula, the U.S. nuclear weapons deployed in South Korea must be withdrawn, and the Korean peninsula must be turned into a nuclear-free zone. Therefore, in last (?June's) joint statement by the parties and organizations, we demanded that the Korean peninsula be turned into a nuclear-free zone at the earliest possible date, and in late July, the government advanced a new proposal to denuclearize the Korean peninsula.

Turning the Korean peninsula into a nuclear-free zone is an issue that can easily be resolved if the United States and the South Korean authorities do not oppose it, as the countries in the vicinity of the Korean peninsula which posses nuclear weapons support it. Also, if the United States and the South Korean authorities accept our proposal to establish a nuclear-free zone, the issue of nuclear inspection, which they demand, will be resolved naturally.

Reunifying the fatherland is the entire Korean nation's greatest desire, and to our nation no other task is more urgent than achieving the reunification of the fatherland. In hearty response to the program on independently and peacefully reunifying the fatherland presented by the great leader Comrade Kim Il-song, the Workers Party of Korea and the government of the Republic has consistently made every effort to implement this program.

An issue that must be resolved on a priority basis to achieve the fatherland's reunification is guaranteeing peace on the Korean peninsula and providing peaceful preconditions for the fatherland's reunification. And if this is to be done, North-South political and military confrontation must be brought to an end.

Adopting a nonaggression declaration is a starting point in removing distrust between the North and South, bringing an end to confrontation, and opening a new phase for peace and peaceful reunification. We demand that the South Korean authorities no longer refrain from adopting a nonaggression declaration or conduct the aggressive Team Spirit joint military exercise, which aggravates military confrontation.

Under the condition where there is no reason or excuse for maintaining U.S. troops and nuclear weapons in South Korea, the United States should sign a peace agreement with us at an early date and withdraw its arms and troops from South Korea. If military confrontation between the North and the South ceases to exist and the United States withdraws its troops and nuclear arms from South Korea, a solid peace will be ensured in our country and a decisively advantageous phase will open in realizing fatherland reunification peacefully.

The reunification plan of a confederal system based on one nation, one state, two systems, two governments is the most reasonable fundamental rule for fatherland reunification that can solve the issue of reunifying the country independently and peacefully. [applause]

Under the stark reality where two different systems and governments exist between the North and the South, if either side attempts to reunify the country by means of absorbing the other side or by means of conquering the other side, it will aggravate distrust and confrontation, and will further lead to irreversible disaster. Only through a confederal system based on one nation, one state, two systems, two governments, can we realize the reunification of the country precluding defeating the communism of the North, communizing the South, northward invasion, and southward invasion.

As a reunification formula of a confederal system, we have already put forward a proposal for founding a democratic confederal republic of Koryo, and believe that this is a fair and just reunification plan for the entire nation.

When the South Korean authorities were clearly attempting to perpetuate and legalize the division of the country and the nation by taking advantage of the international leverage of their UN entry, we made a decision to enter the United Nations to prevent the grave consequences of this.

Although the North and the South of Korea entered into the United Nations separately, our position that Korea is one and should be reunified into one remains unchanged. In the UN arena as well, we will make every effort to realize the reunification of the country. Korean reunification must be made through dialogue and negotiation. Since fatherland reunification is the supreme task of the entire nation and there are different political forces in the North and the South, the negotiations for reunification should become a pan- national negotiation participated in not only by the authorities of the North and the South but by the delegates of the political parties and organizations as well.

The issue of connecting the blood vessels of the divided nation and realizing national harmony and reunification should be realized by our nation's great unity. Upholding the line of great national unity which the great leader Comrade Kim Il-song has proclaimed and with firm unity among all the compatriots in the North, the South, and overseas, we will achieve the cause of fatherland reunification ahead of schedule in the 1990's without fail with the united strength of the entire nation. [applause]

The conscience of mankind consistently calls for peace and the reunification of Korea, but the South Korean authorities are repressing the patriotic struggle of the South Korean students and people for independence, democracy, and reunification with bayonets, arresting, imprisoning, and harshly punishing Rev. Mun Ik-hwan, coed Yim Su-kyong, and other figures who visited the North, the figures involved in the Pan-National Alliance for Reunification [Pomminnyon], and many patriotic reunification figures on charges of violating the notorious National Security Law.

The South Korean authorities should not continue pursuing the line of confrontation, war, and division as they do now, turning away from the national yearning and the demand of the times, but should join the historical trend of independent and peaceful reunification.

We are firmly convinced that the delegates who are present here, who love peace and value justice, and all the progressive people of the world will continue to give invariable support to and feel solidarity with our people's just cause for peace and the reunification of Korea. [applause]

I can assure you that the conclusive event of the international solidarity march for supporting Korea's reunification will attain great success with your active participation and sincere efforts. Thank you. [applause]

Editorials Praise International Solidarity March

SK2909092391 Pyongyang KCNA in English 0843 GMT 29 Sep 91

["Reunification of Korea: Demand of Times and Mankind"—KCNA headline]

[Text] Pyongyang September 29 (KCNA)—Papers here today dedicate editorials to functions of the international solidarity march for supporting Korea's reunification to be held from September 29 to October 4 in Pyongyang, Kaesong, Nampo, Sariwon, Haeju and Wonsan.

The editorial of NODONG SINMUN says:

The international solidarity march for supporting Korea's reunification has been held in accordance with the initiative of the emergency meeting of steering members of the International Liaison Committee for Reunification and Peace in Korea held in Paris in February.

The march was held in various forms in about 100 countries in Asia, Europe, Africa, Americas and Oceania.

Participating in the march were heads of party, state and government, high-ranking officials of political parties, public organisations and bodies for peace and solidarity and numerous people of different circles.

The participants through rallies, seminars, statements, appeals and protest letters demanded the withdrawal of the U.S. troops and nuclear weapons from South Korea. The international signature campaign for supporting the Korean people's struggle for national reunification involved 310 million people.

The supreme desire of the Korean nation is to terminate the tragedy of national division and reunify the country. The Korean nation has no more urgent task than national reunification.

The great leader Comrade Kim Il-song said:

"Ending the tragedy of national division and reunifying the country is the most pressing and vital desire of our nation as well as the challenge of the times posed by the historical trend towards independence."

Korea has not been reunified because the United States does not want to withdraw from South Korea and is obstructing the reunification of the Korean nation, getting overheated in the policy of division and war.

The United States refuses to pull the nuclear weapons out of South Korea and tries to find a pretext for justifying a long-term deployment of nuclear weapons. Part of it is the U.S. ruling circles' campaign for unilateral "nuclear inspection" on the DPRK in the international arena over a fiction of "development of nuclear weapons" by the DPRK.

The United States must stop its unjustifiable threat and intrigues against the DPRK and respond to our demand for denuclearisation of the Korean peninsula.

At the same time, a nonaggression declaration must be adopted between the North and the South of Korea and a peace agreement concluded between the DPRK and the United States.

The functions to be held in Pyongyang this time will mark an important occasion in further expanding and developing the international movement for solidarity with the Korean people's just cause.

The editorial of MINJU CHOSON stresses that the Korean people will smash the moves of war and division of the separatists at home and abroad and achieve peace and peaceful reunification of Korea amid the active support of the progressive people of the world.

Daily Warns Against 'Ideological Infiltration'

SK3009085191 Pyongyang KCNA in English 0730 GMT 30 Sep 91

[Text] Pyongyang September 30 (KCNA)—In order to rapidly develop socialist society, it is imperative to check the imperialists' ideological infiltration for disintegrating socialism and steadfastly defend socialism. Only when the whole society is replete with the idea of the leader, the revolutionary ideology of the working class, is it possible to bring the cause of socialism and communism to completion.

NODONG SINMUN Sunday says this in a by-lined article headlined "Undivided Sway of Working-Class Revolutionary Idea Is Natural Requirement of Socialist Society."

The article quotes the dear leader Comrade Kim Chong-il as saying:

"Socialist society naturally requires the undivided sway of the revolutionary idea of the working class. It is lawful that a single idea is predominant in socialist society where the socio-economic foundations of outmoded thoughts have been eradicated and class antagonism eliminated."

It is an intrinsic law governing socialist society that only the revolutionary ideology of the working class is predominant in the whole society. It is because, first of all, that the class barriers and social economic foundations of different thoughts and trends are destroyed after the establishment of socialist society.

In socialist society all the people struggle with common purpose and desire as the socialist working people. Therefore, the sources of different thoughts and trends are eradicated and a class foundations is laid to ensure the predominance of one ideology reflecting the common interests and demand.

Socio-economic foundations of outworn ideas are also eliminated in socialist society.

It is an intrinsic law governing socialist society that only the revolutionary ideology of the working class is predominant in the whole society also because it is a vital requirement of the popular masses in living as true masters of socialist society to arm themselves with the independent revolutionary ideology of working class.

In socialist society all the people, regardless of classes and social strata, are keenly interested in living and developing truly as the master of society. It is possible only when they are equipped with the independent revolutionary ideology which inspires them with strong sense of self-consciousness and unswerving will befitting the master of society.

The imperialists and their mouthpieces now claim that there is no freedom of thought in socialist society where only one idea prevails. It is a sophism which can be uttered only by those who distort the genuine freedom of thought.

It is an intrinsic law governing socialist society that only the revolutionary ideology of the working class is predominant in the whole society also because the modelling of the whole society on the same ideology is a definite guarantee for preventing the imperialists' ideological infiltration, defending socialism and wining its final victory.

In order to check the penetration of the bourgeois idea and defend socialism, it is important to thoroughly arm the people with the revolutionary ideology of the working class, the idea of socialism and communism, and model the whole society on the same idea.

Only when socialism takes deep roots in the heart of the people as their unshakable faith, is it possible to make any ideological infiltration of the enemy powerless and steadfastly defend socialism in any complicated and difficult conditions.

Our society is imbued with the chuche idea, the revolutionary ideology of working class, and the ideological life based on the chuche idea is on the normal and universal basis among our working people. The ideological purity of the party, the revolutionary ranks and the whole society is the ever-victorious might of our party and people and the cause of indestructibility and bright prospect of our-style socialism.

Yi Chong-ok Awards Scientific Researchers

SK3009045491 Pyongyang Korean Central Broadcasting Network in Korean 1100 GMT 16 Sep 91

[Excerpts] A meeting for granting the state degree and academic position to science education functionaries was held in the evening of 16 September. [passage omitted]

Comrade Yi Chong-ok, member of the Political Bureau of the Central Committee of the Workers Party of Korea, vice president, and chairman of the DPRK Degree and Academic Position Award Committee; and functionaries concerned were present at the meeting to award the state degrees and academic positions in science education. The meeting began with singing of the song "General Kim Il-song."

First, Comrade Yi Chong-ok deliverd the decisions by the DPRK Degree and Academic Position Award Committee on granting the degree and academic position of professor, doctor, associate professor, associate doctor. Then the decrees of degree and academic position and medals were given to those functionaries who have displayed devotion in scientific research and the work of carrying through the socialist education thesis, thus expediting development of the country's science and technology and bringing about outstanding achievements in fostering the chuch-type national cadres.

Discussions for resolution were held at the meeting. [passage omitted].

Provincial Housing Construction Increases

SK2709153891 Pyongyang KCNA in English 1504 GMT 27 Sep 91

[Text] Pyongyang September 27 (KCNA)—South Pyongan Province of Korea has directed big efforts to housing construction, completing dwelling houses for more than 10,000 families.

Housing construction is now brisk mainly at coal mining districts including Anju, Kaechon, Sunchon and Tokchon cities. Some 4,000 families have already moved into new houses.

Many calcium silicate brick houses are under construction in Namsinuiju, North Pyongan Province.

Having set themselves the goal of completing the construction of houses for more than 5,000 families by the yearend, they have lifted the daily results 30 percent above the previous month.

KCNA Reviews 30 Sep NODONG SINMUN

SK3009090591 Pyongyang KCNA in English 0747 GMT 30 Sep 91

[Review of NODONG SINMUN]

[Text] Pyongyang September 30 (KCNA)—NODONG SINMUN today carries a report that an enlarged plenary meeting of the Chagang Provincial Committee of the Workers' Party of Korea was held under the guidance of the great leader President Kim Il-song and photos showing his guidance to sectors of the national economy in the province. In the meeting the question of further developing the national economy in Chagang Province was discussed.

The paper prints a message of greetings President Kim Il-song of the Democratic People's Republic of Korea sent to president Y.K.J. Masire on the occasion of the 25th anniversary of independence of Botswana.

The paper also carries a message of greetings to Comrade Kim Il- song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, sent by Rashed Khan Menon, general secretary of the Central Committee of the Workers' Party of Bangladesh, on the occasion of the 43d anniversary of the foundation of the DPRK.

Works of President Kim Il-song were reported by foreign media, says the paper.

Given in the paper are reflections of the world public on the work of the dear leader Comrade Kim Chong-il "Let Us March Forward Dynamically Along the Road of Socialism and Communism Under the Unfurled Banner of the Anti-Imperialist Struggle".

The paper prints an account of a joint meeting of participants in the international solidarity march for supporting Korea's reunification which was grandly held in Pyongyang, reports made by Kim Yong-sun, chairman of the Korean Anti-Nuke Peace Committee, and Guy Dupre, secretary general of the international liaison committee for reunification and peace in Korea (Cilreco), an appeal to all political parties, governments, parliaments, peace and solidarity organisations and international organisations and letters to the president of the 46th session of the General Assembly of the United Nations and the authorities of the United States and South Korea.

The paper carries photo-illustrated news that the international solidarity march for supporting Korea's reunification was grandly held in Pyongyang amid the warm welcome of citizens.

Magazine "INDEPENDENCE" No. 8 was published in Ecuador, the general secretary of the Revolutionary Party of Tanzania met the Korean ambassador to Tanzania, talks were held in Pyongyang between the delegations of the Workers' Party of Korea and the Norwegian Communist Party and Pyongyang-Japan book exhibition which opened in Pyongyang on September 23 closed Sunday.

The paper reports about the performance of the Pochonbo light music troupe in Japan.

Appearing in the paper is a joint statement issued by the Central Committee of the DPRK Red Cross Society and the Korean democratic lawyers association in connection with the serious question of the release of long-term prisoners in South Korea.

Seen in the paper is a statement issued by Pak Kwan-o, president of Kim Il-song University denouncing the South Korean authorities for unreasonably blocking the visit of students of the national language course of Konkuk University of South Korea to the North that was agreed upon.

The paper runs a commentary condemning the anti-national crimes of the South Korean puppets who are opposed to the withdrawal of the U.S. forces and nuclear weapons.

The paper observes the 25th anniversary of the independence of Botswana.

Conveyed in the paper is news that a central working-level meeting of the Central Committee of the Communist Party of China was held, Yasir 'Arafat was reelected as president of the State of Palestine and the Chilean foreign minister referred to the role of the Non-Aligned Movement.

KCNA Reviews 1 October Pyongyang Press

SK0110061691 Pyongyang KCNA in English 0522 GMT 1 Oct 91

[Press review]

[Text] Pyongyang October 1 (KCNA)—Dailies here today carry a photo-accompanied report that the great leader President Kim Il-song received the participants in the international solidarity march for supporting Korea's reunification and an account of a grand banquet hosted by him in honor of the participants in the march. Printed in the press are also speeches made by Kim Yong-sun, chairman of the Korean anti-nuke peace committee, and Francisco da Costa Gomes, honorary chairman of the international liaison committee for reunification and peace in Korea, at the banquet.

President Kim Il-song received the ambassador e.p. [extraordinary plenipotentiary] of the Swiss Confederation to Korea, says the press.

Papers carry a message of greetings sent by Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, to Comrade Jiang Zemin, general secretary of the Central Committee of the Communist Party of China, Comrade Yang Shangkun, president of the People's Republic of China (PRC), and Comrade Wan Li, chairman of the Standing Committee of the National People's Congress of the PRC on the occasion of the 42nd PRC founding anniversary. They also dedicate editorials to the anniversary.

Seen in the press is a message of greetings of President Kim Il- song of the Democratic People's Republic of Korea to President Ibrahim B. Babangida on the occasion of the 31st anniversary of the independence of Nigeria.

NODONG SINMUN informs the readers that congratulatory messages and letters came to President Kim Il-song from different countries on the 43rd founding anniversary of the DPRK.

The dear leader Comrade Kim Chong-il received gifts from the president of the Swiss Confederation and participants in the international solidarity march for supporting Korea's reunification, according to dailies.

The press reports that a monument to the international solidarity march for supporting Korea's reunification was erected in Pyongyang and its unveiling ceremony was held, and gives an account of the sojourn of the participants in the march in Pyongyang.

Appearing in papers is an account of a meeting held to mark the 45th founding anniversary of Kim Il-song University.

A joint declaration on the establishment of diplomatic relations between the DPRK and the Republic of Latvia, which was signed in Riga on September 26, is seen in the press.

Chinese and Swiss ambassadors to Korea hosted receptions on the occasion of the 42nd founding anniversary of the People's Republic of China and 700th founding anniversary of the Swiss Confederation, says the press.

It is reported in the press that Korean paddlers placed first and second in the men's singles event at the ninth Asian Cup table tennis tournament.

NODONG SINMUN reports that the 10th national meeting of the movement for supporting Korea's reunification was held in Tokyo and carries a keynote report, a Tokyo appeal and a letter to the Korean people adopted at the meeting.

A national meeting of Bangladesh for supporting Korea's reunification was grandly held, says the paper.

Carried in the paper is a statement issued by Choe Yong-hae, chairman of the Central Committee of the League of Socialist Working Youth of Korea denouncing the anti-reunification criminal act of the South Korean authorities in blocking the visit of students of South Korea to the North.

Papers introduce a telephone message sent by the chairman of the Korean student committee and the chairman of the student committee of Kim Il-song University to the minister of the Unification Board of South Korea in demand of unconditional measures to realise the visit of students of the national language course of Konguk University of South Korea to the North.

NODONG SINMUN informs the readers that a mass meeting for condemning the U.S. imperialists and the South Korean fascist clique who brutally murdered Han Kuk-won, a postgraduate of Seoul National University, was held in Kaesong and that students in Seoul held a demonstration denouncing the murder of Han Kuk-won.

Papers run commentaries denouncing South Korean puppet Defense Minister Yi Chong-ku who called for "military options" to curb the "North's nuclear plan", crying over fictitious "nuclear development of the North".

MINJU CHOSON in an article observes the 45th anniversary of the October people's resistance in South Korea.

Papers introduce the achievements of socialist construction in China and report that the Chinese Government made serious representations against the French Government's formal approval of the sales of frigate hulls to Taiwan.

Papers observe the day of independence of Nigeria.

MINJU CHOSON dedicates an article to the 10th anniversary of the establishment of diplomatic relations between Korea and Vanuatu.

NODONG SINMUN runs an article entitled "the world stands on the side of the Korean people" regarding functions of the international solidarity march for supporting Korea's reunification currently under way in Korea.

South Korea

Foreign Minister Yi Sang-ok Meets Counterparts

'Briefly' Meets DPRK's Kim Yong-nam

SK0210013891 Seoul THE KOREA TIMES in English 2 Oct 91 p 1

[Text] New York (Korean Press Corps)—South Korean Foreign Minister Yi Sang-ok and his northern counterpart Kim Yong-nam met briefly early Tuesday morning [1 October] (KST). It was the first encounter of foreign ministers from the two Koreas since the 1945 division.

The two foreign ministers "exchanged views on matters of mutual concern" during the amicable conversation and agreed to meet later for business talks, a ranking South Korean Foreign Ministry official said.

The two met while participating in a luncheon meeting given by U.N. Secretary General Javier Perez de Cuellar for the delegates to the ongoing 46th General Assembly session of the United Nations.

During the seven-minute chat in the delegates' dining room of the U.N. headquarters, Foreign Minister Yi Sang-ok of the South called for cooperation between South and North Korea at the United Nations as the two became full members of the global organization.

Yi also called upon North Korea to sign a nuclear safeguards accord with the International Atomic Energy Agency (IAEA) as soon as possible and told his North Korean counterpart that it would be helpful for North Korean diplomacy.

Kim of the North, for his part, called for joint efforts "to secure a single seat" in the United Nations for South and North Korea. The two Koreas were admitted to the United Nations as separate entities on Sept. 17.

The two foreign ministers were unable to have a serious discussion, and instead agreed in principle to have formal talks some time later, according to the South Korean official.

The specific date and place for the formal talks were not discussed, the official said.

After the brief meeting with Kim, Minister Yi met the Korean press and revealed the contents of his conversation.

He said that he suggested another meeting with Kim and the North Korean foreign minister gave a positive response.

Yi introduced himself first to the North Korean foreign minister and they exchanged greetings for a couple of minutes.

As to Yi's call for North Korea's early signing of the nuclear safeguards accord, Kim did not give a clear-cut answer. Instead, he said, "We are well aware of the contents of President Bush's announcement (on the removal of tactical nuclear weapons)."

North Korean Prime Minister Yon also attended the luncheon meeting but Foreign Minister Yi failed to meet him during the function.

Later in the day, South Korean Foreign Minister Yi made a speech to the Council on Foreign Relations in which he called for North Korea to commit itself to becoming a responsible member of the international community.

"If North Korea acts in accordance with the letter and spirit of the United Nations charter, it would also help North Korea in its efforts to normalize relations with Japan, the United States, and other Western countries," Yi said, calling for Pyongyang's early signing of a nuclear safeguards agreement with the International Atomic Energy Agency.

Yi asserted that the international community should take a firm stand against North Korea if she pursues policies in conflict with the United Nations charter.

Meets USSR's Pankin

SK0210005191 Seoul KBS-1 Radio Network in Korean 2200 GMT 1 Oct 91

[Text] The ROK and the Soviet Union have agreed to reinforce joint diplomatic efforts even further to have North Korea sign the nuclear safeguards accord at an early date.

In a meeting with his Soviet counterpart Pankin today at the UN Headquarters, Foreign Minister Yi Sang-ok agreed to reinforce diplomatic efforts to have North Korea sign the nuclear safeguards accord at an early date on the grounds that it should not be allowed to delay signing the accord any longer in the wake of U.S. President Bush's announcement on scrapping tactical nuclear weapons.

In today's meeting, Soviet Foreign Minister Pankin said that the Soviet Union will call on North Korea through various channels to sign the nuclear safeguards accord at an early date. He stated that the South's and North's entry into the United Nations in step with the developing global situation will contribute to affirmative development of the Korean peninsula situation.

In today's meeting, the two foreign ministers agreed to carry on the economic cooperation agreed upon between the two countries as planned.

Meanwhile, North Korean Foreign Minister Kim Yong-nam, who is on a visit to New York, is reported to be making earnest efforts to break North Korea's diplomatic isolation through meetings with foreign ministers of Thailand, Indonesia, and the Philippines, as well as Soviet Foreign Minister Pankin.

Further on Pankin, Other Meetings

SK0210022691 Seoul YONHAP in English 0147 GMT 2 Oct 91

[Text] United Nations, Oct. 1 (YONHAP)—South Korean Foreign Minister Yi Sang-ok and his Soviet counterpart Boris Pankin agreed Tuesday to jointly urge North Korea to accept international inspection of its nuclear facilities.

In the first meeting of the foreign ministers since the abortive coup in the Soviet Union, Yi said there was no longer an excuse for North Korea to delay signing a nuclear safeguards agreement with the International Atomic Energy Agency (IAEA) as a result of U.S. President George Bush's nuclear initiative.

Pankin said Moscow has urged at various levels that Pyongyang sign a safeguards agreement and it will continue that effort.

The ministers met in the small conference room of the U.N. Security Council and Yi later met separately with the foreign ministers of Mongolia, Indonesia and Albania to discuss bilateral relations.

Yi and his Mongolian counterpart, Tserenpiliyn Gombosuren, discussed matters concerning the planned visit by Mongolian President Punsalmaagiyn Ochirbat to Korea Oct. 22-25.

He exchanged views on the promotion of cooperation between Korea and the Association of Southeast Asian Nations (ASEAN) with Foreign Minister Ali Alatas of Indonesia.

Before he talked about expansion of trade and investment between Seoul and Tirana with Albanian Foreign Minister Muhamet Kapllani, Yi spoke at a breakfast meeting hosted by the U.S. Council on Foreign Relations.

The South Korean Government's first policy goal was to build lasting peace on the Korean peninsula and this should be sincerely discussed and resolved in a meeting between the governments of South and North Korea, Yi told the council.

Promises To 'Vigorously Pursue' Peace

SK0110121191 Seoul YONHAP in English 1144 GMT 1 Oct 91

[Text] New York, Oct. 1 (OANA-YONHAP)—South and North Korea's parallel entry to the United Nations will be a useful guide for future inter-Korean relations, and South Korea plans to "vigorously pursue" Seoul-Pyongyang rapprochement, South Korean Foreign Minister Yi Sang-ok said Tuesday.

He called particular attention to North Korea's nuclear weapons development, warning that South Korea will "closely watch, along with other nations, the conduct of North Korea in this area and consider further necessary action."

As a new member, South Korea stands firmly committed to U.N. efforts for collective security and peace and is ready to contribute wholly within its own capacity, Lee said.

The foreign minister, addressing the Council on Foreign Relations in a breakfast seminar, outlined these ideas as South Korea's foreign policy perspectives following admission to the United Nations.

South and North Korea became U.N. members on Sept. 17.

A series of direct consultations, both at ambassadorial and counsellor levels, took place between South and North Korean representatives at the U.N. headquarters before their entry, Yi said.

"Although these contacts were limited to procedural matters concerning U.N. membership, they certainly augur well for future bilateral relations," the foreign minister said.

"With parallel entry into the United Nations, we will more vigorously pursue inter-Korean rapprochement... We do not wish to see the reopening of the debate of Korean issues at the United Nations. Neither do we want the perpetuation of cold war confrontation and rivalry," he told the seminar.

Pledging active particiaption on arms control and disarmament, the foreign minister drew attention to the prospect of nuclear weapons development by North Korea. "President Bush's September 27th announcement of the new initiatives on nuclear arms control leaves no room for excuses, even invalid ones, for further delay of the North Korean conclusion and implementation of the safeguards agreement with IAEA (International Atomic Energy Agency). We will closely watch, along with other nations, the conduct of North Korea in this area and consider further necessary action," he said.

South Korea will guard against any North Korean offensive at the global forum such as its demands to replace the Korean armistice with a peace agreement signed by Pyongyang and Washington and withdrawal of U.S. forces from South Korea.

Replacement of the armistice must be discussed primarily by South and North Korea, and U.S. military presence in South Korea is "a necessary deterrent to renewed hostilities and an important factor in the maintenance of peace on the Korean peninsula," he stressed.

He recalled the Korean war (1950-1953) when U.N. forces fought for South Korea. "As a country that directly benefitted from the collective action of the U.N. during the Korean war, we are willing to join the United Nations in its efforts for collective security and peace. In the future, we will examine ways to contribute within our own capabilities," he told the seminar.

Yi expressed reserves about recent proposals for regional multilateral security consultations in the Asia-Pacific region, calling it "premature."

"The current security system in our region is effectively maintained on a bilateral basis and is characterized by the diverse security interests of the involved countries. As far as the Republic of Korea is concerned, it may be as yet premature to establish a regional security cooperative mechanism in this part of the world," he said.

Urges Beijing-Seoul Normalization

SK0210121291 Seoul YONHAP in English 1130 GMT 2 Oct 91

[Text] New York, Oct. 2 (OANA-YONHAP)—Seoul-Beijing diplomatic normalization is essential to building peace and stability on the Korean peninsula, and the United States should help create favorable international atmosphere for inter-Korean relations development, South Korean Foreign Minister Yi Sang-ok said Wednesday.

On regional issues, maintaining and expanding dynamic economic growth, effective management of interdependence among Asia-Pacific nations, and guarantee of collective prosperity are main tasks ahead, Yi said.

Speaking at a luncheon hosted by the Asia Society on the role of South Korea and the United States in the Asia-Pacific, Yi stressed both political and economic responsibilities of the two nations. "The United States, in cooperation with other countries in the (Asia-Pacific) region, is called upon to take the lead in encouraging and helping further reforms in the socialist countries in the region, which are no longer immune to the rapid changes sweeping across the socialist bloc throughout the world," Yi said.

Without peace and stability on the Korean peninsula, he said, peace and stability in the region cannot be achieved.

"The United States, however, could make contributions in this regard, through close consultations with us, by helping to create a favorable international atmosphere and by taking measures to provide support and cooperation in favor of eventual inter-Korean agreement," he told the Asia Society.

"In building peace and stability on the Korean peninsula, it is also essential that the republic of Korea and China normalize their relations without further delay," Yi said.

He also emphasized economic development in the region and the role of Asia-Pacific Economic Cooperation (APEC).

"How can we maintain and expand dynamic growth into the 21st century? How can we effectively manage the ever-growing interdependence among regional countries, so as to ensure balanced growth and prosperity for the entire region?...These are the issues that are high on the agenda among the countries in the Asia-Pacific region," he said.

"Since the inception of APEC, the United States and the Republic of Korea, in consultation with other participating countries in the region, have cooperated closely to strengthen the APEC process."

"The Republic of Korea, as current chair, and the United States, as host nation to the ministerial meeting in 1993, need to continue their cooperation to further enhance the process and determine the future direction of apec," the foreign minister said.

Weapons Withdrawal Agreement Reached With U.S.

SK0210150691 Seoul CHUNGANG ILBO in Korean 2 Oct 91 p 1

[Text] It has been learned that the ROK and the United States have reached an agreement on the principle concerning withdrawal of tactical nuclear weapons which the U.S. forces in the ROK possess and that they have already begun to discuss concrete methods for this.

On 2 October, a high-ranking government official said that since the ROK and the United States have held sufficient discussions and reviews on nuclear operations on the Korean peninsula, implementation of withdrawal will not require much time when detailed plans including the timetable of withdrawal are provided during the annual ROK-U.S. Security Consultative Meeting slated for sometime in November in Seoul.

Church Group Protests U.S. Official's Remark

SK3009124691 Seoul YONHAP in English 1219 GMT 30 Sep 91

[Text] Seoul, Sept. 30 (OANA-YONHAP)—The Korean National Council of Churches (KNCC) said Monday it will write directly to U.S. President George Bush to demand explanation for a remark by a U.S. Trade Representative official asking punishment of South Koreans opposing American cigarette sales.

KNCC officials said Nancy Adams, assistant U.S. trade representative, demanded last week that South Korean Government set up a legal system to punish civilians and government workers who interfere in sales of American cigarettes in South Korea.

"The remark is an outright interference ignoring a country's right to self-decision," they said in a statement, "we will ask U.S. President George Bush for an explanation acceptable to the South Korean people and Christians."

USSR's Shevardnadze on North's Nuclear Stance

SK0210041091 Seoul KBS-1 Television Network in Korean 1200 GMT 1 Oct 91

[Interview with Eduard Shevardnadze, former Soviet foreign minister, by reporter Choe Pyong-chan in Moscow on 1 October—recorded]

[Text] [Choe Pyong-chan] North Korea refuses to sign the nuclear safeguards accord or agree to nuclear inspection. What do you think of this?

[Shevardnadze] It is very unreasonable for North Korea to refuse to sign the nuclear safeguards accord. I have expressed my regret at this many times in the past. North Korea should stop refusing to sign the nuclear safeguards accord and stop running fully counter to the interests of the world and the Korean people as a whole.

[Choe] As you know, President Bush announced an epoch-making plan for reducing nuclear weapons on 28 September. What is your assessment of this?

[Shevardnadze] Many agreements on the reduction of nuclear weapons, including the intermediate- and short-range nuclear missiles, have been signed so far, and in the process of this Bush has put forward the latest proposal.

I believe that Bush's proposal is an immense plan for denuclearization. We must start negotiations after carefully scrutinizing Bush's proposal. But on the whole it seems to be a very important measure.

[Choe] The South and North have now been admitted into the United Nations simultaneously. What do you think is the most desirable way of reunification?

[Shevardnadze] Given the simultaneous admission of the South and North into the United Nations with two different seats, it will not be easy for the two sides to synchronize their interests.

I think, however, that the South and North will be able to successfully overcome the state of confrontation and normalize their mutual relations within the framework of the United Nations.

Mongolia Offers To Mediate Reconciliation

SK0210092591 Seoul YONHAP in English 0747 GMT 2 Oct 91

[Text] Seoul, Oct. 2 (YONHAP)—Mongolian President Punsalmaagiyn Ochirbat offered to mediate a reconcilation between South and North Korea last week, a Seoul-based daily reported Wednesday.

"I believe Mongolians and Koreans share the same ancestors," the KUNGMIN ILBO quoted the Mongolian leader as explaining in a Sept. 27 interview.

Ochirbat congratulated South and North Korea on admission to the United Nations, saying he had supported the idea from the first, KUNGMIN reported.

It said he wanted South Korean industrial technology and promised good conditions for private investment in Mongolia.

Ochirbat is to visit Seoul Oct. 22-25 for a summit with President No Tae-u.

"During the visit, both sides will confirm the principles of mutual exchanges covering economy, education, culture, science and technology," KUNGMIN quoted Ochirbat as saying.

Shifting to a market economy was more difficult than mental or democratic reforms and Mongolia was in need of South Korea's advanced technology, KUNGMIN quoted Ochirbat as saying.

It said Ochirbat believed that Mongolians had failed to choose "the right model" based on national characteristics and history in their 70-year struggle to build a Communist state.

"Society slid to a halt because people relied on the state for everything instead of exercising their ability for national development," Ochirbat was quoted as saying.

Companies Experiencing Difficulties in China

SK0210092491 Seoul YONHAP in English 0507 GMT 2 Oct 91

[Text] Seoul, Oct. 2 (YONHAP)—Investments by Korean companies in China totaled 115 million U.S. dollars in 118 cases as of July 31 with most factories operating on condition that their products be exported to other countries, the Commerce Ministry said Tuesday.

Of the total, investments by manufacturing industries accounted for 101 million dollars in 100 cases, the ministry said in a report to the National Assembly. But parts of the investments have been drawn back, leaving 50 million dollars in 71 cases, the ministry said.

It said the Korean investors in China are taking a risk in the absence of an investment guarantee pact between the two countries. They are also experiencing difficulties because of poor facilities, an investment condition imposed by the Chinese Government to export 70 percent of their products and low productivity of Chinese workers, the ministry added.

Meanwhile, the Chinese Government approved the establishment of 12 branch offices by nine Korean companies this year, showing some flexibility on Korean investments, the ministry said. China had approved only the branch offices of Korean companies incorporated in a third country.

DP Criticizes 'Ignorance' of Weapons Deployment

SK0210094391 Seoul YONHAP in English 0901 GMT 2 Oct 91

[Text] Seoul, Oct. 2 (YONHAP)—South Korea's lone opposition party charged Wednesday the government did not know that about 150 U.S. nuclear weapons were deployed on Korean soil and so it did not influence their management and mobility.

U.S. President George Bush's announcement of nuclear arms cuts last week showed the Korean Government's ignorance and inability to do anything about the nuclear arms in the South, a Democratic Party [DP] statement charged.

"We cannot help but asking whether the government is capable of protecting the nation's survival and self-esteem," it said.

The party, headed by Kim Tae-chung, proposed the elimination of all offensive weapons in North and South Korea.

"The only way to stop North Korea from developing nuclear arms is for South Korea, which badly wants to remain under the U.S. nuclear umbrella for fear of the military supremacy of the North, to talk about arms reduction more positively," it said.

The party called on the government to discuss arms reduction with Pyongyang immediately, including confidence-building steps and making the Korean peninsula a nuclear-free zone, rather than discussing denuclearization.

It proposed a multinational conference in which the United States, the Soviet Union, China and Japan joined South and North Korea in promoting inter-Korean arms reduction talks and ensuring they brought results.

Cooperation Memorandum With Canada Takes Effect

SK3009100991 Seoul YONHAP in English 0823 GMT 30 Sep 91

[Text] Seoul, Sept. 30 (YONHAP)—A memorandum of understanding on economic cooperation between South Korea and Canada took effect Monday with the completion of internal procedures on both sides, the Foreign Ministry said.

The memorandum, signed when President No Tae-u visited Canada July 7, includes setting up a joint committee, promotion of trade, industrial, scientific and technical cooperation and mutual protection of intellectual property rights.

Defector Describes North Diplomatic Mechanism

SK0210085991 Seoul SEOUL SINMUN in Korean 28 Sep 91 p 3

[Second installment of article entitled: "Ko Yong-hwan, Former Interpreter for Kim Il-song and High-Ranking North Korean Diplomat, Speaks"—"Kim Yong-nam, Kang Sok-chu, Ko Song-sun: Troika of North Korea's Diplomacy"]

[Text] Kim Yong-nam, foreign minister, who is careful and elaborate to a fault; Kang Sok-ch, first vice foreign minister, who speaks fluent English with a refined manner; and Ko Song-sun, responsible councillor at the North Korean Foreign Ministry and former editor-in-chief of the Korean Central News Agency [KCNA], who is well known for his lucid writings, form the troika that takes the lead in North Korea's diplomacy.

When Kim Yong-nam's and Kang Sok-chu's analyses on diplomatic affairs, compiled in Ko Song-sun's lucid writing, are sent to Kim Chong-il, he, with his poor knowledge of diplomatic affairs, usually accepts them without question and sees to it that they are enforced as national policy.

Since 1984, Kim Chong-il has had the Foreign Ministry at his command, calling it my own Foreign Ministry, the party's Foreign Ministry. However, rarely has he come up with any ideas about what direction to take in foreign policy, instead approving suggestions offered by the Foreign Ministry. Rather than giving directions on foreign policy, Kim Chong-il often scolds or makes unreasonable demands, saying the Foreign Ministry is in need of discipline, I am going to militarize it, still the wind of idleness that sweeps through the ministry, or how can the Foreign Ministry be so enthusiastic about earning money as to blacken my diplomacy?

Kim Yong-sun, party secretary in charge of international affairs as a director of a department under the party's control, has recently conducted remarkable activities in negotiating the establishment of diplomatic relations with Japan. However, he just carries out what has been consulted with the Foreign Ministry. As an official in charge of the party's external activities, he is just helping North Korea negotiate with Japan over establishing diplomatic relations from the sidelines. He is doing this through party-run diplomacy toward the Japanese parties, giving assurance that the normalized relations will be beneficial to both sides.

Kim Chong-il is considered to be unfit for a diplomat, a career that needs meticulous and careful judgment and analytical ability. He is said to be a heavy drinker who always takes things as they come.

In 1984 Kim Chong-il issued a directive that said the party's International Department, while being in charge of liaison affairs with the ruling party and parties of other countries, should consult with the Foreign Ministry in advance when dealing with other countries' ruling parties. After this, the Foreign Ministry, which had been under the control of the party's International Department, became an institution in charge of diplomatic policy to be reckoned with.

The party's International Department was so trusted by Kim Il-song that in 1960 he urged the party International Department, the Foreign Ministry, and the Building Three (the general staff office that handles affairs related to the South) to form a trinity for handling the reunification issue. As if to prove the party's trust in the International Department as such, early in 1984 Kim Chong-il, too, ordered members of the party's International Department to learn foreign dances, such as the polka, as they also are diplomats. Following this, members of the International Department and their spouses brought entertainers into the courtyard of the department's building under the excuse of learning how to dance from the entertainers. After seeing something so unexpected in the department's courtyard, all the departments under the control of the party Central Committee except the International Department denounced it, accusing it of having ushered in a wind of an easygoing attitude. Kim Chong-il passed the buck to Kim Yong-sun, then first deputy director of the International Department, and sent him to a mine, where he stayed for a year for the purpose of revolutionizing him. Kim Yong-sun irked Kim Chong-il by saying, I just followed what I was told to do. In the wake of this, the party's Organization and Guidance Department ordered a great inspection into the party's International Department and found some members involved in love affairs with entertainers. As a result, about 70, nearly half of the 150 members of the International Department, were kicked out of the organization. The Foreign Ministry, however, was rated as being healthy at the end of the inspection, thus opening the door for the Foreign Ministry to become the institution holding the real power in diplomatic affairs, brushing aside the party's International Department. On the other hand, Ho Tam, who served as North Korea's foreign minister from 1977 through 1983 and remained the symbol of North Korea's diplomacy until his death last May, suggested that one of the two offices be disbanded on the grounds that diplomacy needs swiftness and flexibility, hinting implicitly at whittling away at the power of the party's International Department, which had clung to stereotyped theories.

At any rate, the Foreign Ministry came under direct control of Kim Chong-il in 1985. In form it was an organ in the State Administration Council, but in practice it was an independent institution in the league with the Ministry of People's Armed Forces and the Ministry of Public Security. All diplomatic documents are sent to Kim Chong-il before being delivered to the president or prime minister. Kim Chong-il tries to justify his absolute power over diplomacy by asking, Is it necessary to trouble President Kim Il-song, who has gone through such difficulties in the secret cottage on Mt. Paektu?

Another person who is still not very well known but holds real power over diplomacy in North Korea is Yi Hwa-son, vice director of the Organization and Guidance Department of the party Central Committee, as well as chief of the department's Second Bureau. She controls and guides North Korea's external activities as a whole from the Organization and Guidance Department under Kim Chong-il's direct purview. She also serves as Kim Chong-il's personal secretary in charge of diplomatic affairs. As is the case with other departments, the Foreign Ministry can never try to ignore the members of the Organization and Guidance Department who are very loyal to Kim Chong-il. Yi Chol, currently ambassador to Geneva, who is also known as Yi Su-yong and worked in the Organization and Guidance Department in the past, now advises Kim Chong-il on diplomatic affairs.

According to Kim Chong-il's words that knowing the enemy can help one defeat the enemy, North Korean diplomats are allowed to read South Korean papers and magazines, about four to five days later. The Foreign Ministry subscribes to five South Korean dailies and two monthly news magazines. In particular, twice a day officials in the Foreign Ministry's local and international organization bureaus read CHAMKKO TONGSIN [For Your Information Newsletter], compiled by those who monitor South Korean TV, such as the Korea Broadcasting System and the Munhwa Broadcasting Company, and radios around the clock, the source of objective and precise information on South Korea. This newsletter is edited daily by North Korea's KCNA, with political affairs as the central theme. One that is published in the morning is called Newsletter 1 and one that is published in the afternoon is Newsletter 2, a booklet of about 40 to 50 pages.

North Officials' Activities at UN Noted

SK0210091091 Seoul YONHAP in English 0809 GMT 2 Oct 91

[Text] New York, Oct. 1 (YONHAP)—In an extraordinary turnaround, leaders of North Korea are engaged in wide-ranging diplomatic activities since their country was admitted to the United Nations last month.

North Korea's Prime Minister Yon Hyong-muk, who arrived in New York last Friday to address the U.N. General Assembly, has been holding a series of meetings with world leaders including Qian Qichen, foreign minister of China, Pyongyong's only remaining Communist ally.

Yon, accompanied by Foreign Minister Kim Yong-nam and 28 other officials, is scheduled to address the assembly at noon Tuesday (local time).

For the occasion, North Korea dispatched the "high-powered" delegation to New York to lay a ground work for what are regarded as Pyongyang's top foreign policy agenda, according to South Korean analysts.

First, the analysts said, North Korea is putting a considerable emphasis on improving relations with the United States.

Yon and members of his entourage have been trying to meet U.S. congressional leaders and former members of administrations. But their efforts have so far been fruitless, they said.

Among the U.S. leaders Yon hoped to meet was former President Jimmy Carter. Officials at the North Korean mission to the United Nations said, however, that "a Yon-Carter meeting has not taken place so far, although there was such a proposal."

"We understand that neither Yon or Kim was able to meet any U.S. congressional leaders or former administrations officials," said a high-ranking South Korean diplomat who wished to remain anonymous.

"In any case, such meetings could not carry any significance as long as North Korea refuses to allow international inspections of its nuclear facilities as demanded by the U.S. Government," he said.

North Korea is also trying to improve its "image" in the world community through diplomatic channels at the United Nations, experts said. To this end, they added, Foreign Minister Kim held talks with his Chinese counterpart on Sept. 30 at the United Nations. The meeting was followed by Qian's visit to the North Korean prime minister at New York's Waldorf Astoria Hotel Tuesday.

In addition to Qian, Yon met with Cambodian leader Prince Sihanouk and the presidents of Gambia and Zambia while Foreign Minister Kim held talks with foreign ministers of China and Thailand. Kim's schedule also included separate meetings with foreign ministers of five or six nations.

The North Koreans are also trying to "establish a foothold" in the United States by wooing Korean immigrants, the experts say. As part of their move, the North Koreans plan to give a dinner on Oct. 4 for some 200 Korean-Americans.

Yon is expected to leave for home Oct. 6, but Kim plans to stay one more week in order to continue his efforts to meet with U. S. officials, diplomatic sources said.

Kim Il-song 'Likely' To Meet Deng Xiaoping

SK0210120891 Seoul YONHAP in English 1105 GMT 2 Oct 91

[Text] Seoul, Oct. 2 (YONHAP)—North Korean President Kim Il- song is expected to make an inspection trip to a special economic zone near Qingdao during his official visit in China starting Friday, an official source here said Tuesday.

The source said his prediction was based on the fact that North Korean Ambassador to China Chu Chang-chun recently made an on-the-spot survey in Qingdao.

The official said Kim's stay in China is not likely to be longer than a week in view of the Oct. 10 anniversary of the North Korean Workers' Party.

Kim visited Tianjin Economic Zone when he was in China in 1987.

The source also said Deng Xiaoping, the paramount Chinese leader who has not made any official contact with foreign visitors since February, is likely to meet Kim.

North Seeking To Expand Tourist Industry

SK0110071991 Seoul YONHAP in English 0613 GMT 1 Oct 91

[Text] Buenos Aires, Sept. 30 (YONHAP)—North Korea is doing its utmost to attract visitors by remodelling tourist resorts and building top-class hotels, according to Chae Hwa-sop, deputy director of North Korea's State General Bureau of Tourism.

Chae, taking part in the general assembly of the world tourism organization in Buenos Aires, said Monday, however, that joint development of Mt. Kumgang with South Korea's Hyundai Group had not yielded any "concrete results."

North Korean President Kim Il-song did nothing but receive credentials from foreign diplomats while his son, Kim Chong-il, dealt with all state affairs, Chae said in an interview with YONHAP News Agency.

Korean reunification had to be achieved by accepting and modifying the merits and demerits of capitalism and communism under two systems, and neither side should force its ideology on the other for North Korea's chuche (self-reliance) ideology was as alien to the South as capitalism was to the North, he said.

Soviet Economist Speaks on N-S Cooperation

SK0110043591 Seoul THE KOREA TIMES in English 1 Oct 91 p 9

[Text] A Soviet economist said yesterday that North Korea will need cooperation with South Korean firms in many fields of production.

Dr. Marina Trigubenko from the Soviet Academy of Sciences said, "A multisectoral industrial complex has been set up in North Korea; it can be restructured, technologically updated and reoriented to allow cooperation with South Korean firms in many fields."

Trigubenko, director at the Center for Asian Studies, institute of international economic and political studies of the academy, made the remark in his speech, "Industry of North Korea: specific features of the industrial policy, sectoral structure and prospects" at a seminar.

He noted that the Soviet Union still remains a promising trading partner for North Korea.

"Many industrial plants in the Far East, Urals and Siberia have shown interest in cooperation in the industrial sphere."

The Soviet scholar said North Korea is knocking at the door of the countries of the Asia-Pacific region, its immediate neighbors, giving up its orientation to developing countries in Africa.

The emergence of a new stratum of businessmen, and the development of export-oriented economic activity there is altering management mechanisms towards renunciation of excessive centralization and transition to market relations, Trigubenko explained.

He went on to say, "Our and (North) Korean experience of joint entrepreneurship with the West has shown that foreign businessmen will not want to invest in the excessively centralized economy if the communist leadership stays in power."

"North Korea has large arrears and has been declared insolvent," he explained.

There is little hope that either the West or the East will give it economic assistance which is not necessary for technological updating of the industry, he noted.

North Korea is entering a period of economic crisis, having no foreign loans on favorable terms which are needed for extricating itself from the crisis, he explained.

He further explained that the North Korean command-administrative system has come close to collapse.

The two-day international symposium, "The North Korean economy: current situation and future prospects" opened at Lotte Hotel yesterday cosponsored by the Korea Development Institute and Korea Economic Daily.

Trigubenko said that accession to the UN and the development of dialog with the South gives the current North Korean leadership a chance to stay in power for a certain time.

"But in actual fact we are witnessing something opposite to all this," he added.

He noted that North Korea is clinging to the ideological dogmas and principles which have failed in Eastern Europe and in the Soviet Union.

Its leaders are unable to carry out radical political and economic changes, come out against market economy, denationalization, privatization, mixed economy and political pluralism.

"This is the main difficulty of the current moment in the development of the North Korean economy and the development of economic cooperation with South Korea and the revamped Russia," he concluded.

Cooperation Expenditures Total 769 Million Won

SK0110051991 Seoul THE KOREA TIMES in English 1 Oct 91 p 9

[Text] A total of 769 million won has been used for projects for inter-Korean cooperation this year.

This is the portion of the 25 billion won which has been set aside from the budget as the Fund for South-North Korean Cooperation.

The Economic Planning Board said yesterday that 163 million won was used to finance the unified table tennis team.

Another project was the unified soccer team which cost 606 million won.

The government also plans to compensate 1,272,425,000 won for the direct shipment of southern rice to the North if the North does not send goods to the South in barter trade with rice by the end of October.

The government sold 5,000 tons of rice to the North through Cheonji Trading Co. late last July in barter trade for North Korea's coal, cement and other natural resources.

Cheonji purchased the rice for shipment to North Korea, borrowing money from the Grain Management Fund. But the fund will not be used for more than three months in accordance with the Grain Management Fund Law.

Conseqently, the government plans to refund the grain fund with the South-North Cooperation Fund in late October and to receive the goods with the North sends them.

Chondaehyop To Abandon Violence To Win Support

SK0110123591 Seoul YONHAP in English 1222 GMT 1 Oct 91

[Text] Seoul, Oct. 1 (OANA-YONHAP)—Top university student leader said Monday collegians will abandon violent protests for a more peaceful national campaign to win popular support.

Yi Chol-sang, acting chairman of the country's largest student coalition Chondaehyop (The National Student Representatives' Council), said student activism has failed in showing the injustice of the current government to the people by continuing violent protests.

Yi told a press conference that his statement does not reflect Chondaehyop's official position but said a general consensus is growing against violent demonstrations.

The statement follows the death of Han Kuk-won, a 27-year-old Seoul graduate student, killed Sept. 17 by a stray bullet shot by a police officer. The officer was cornered by collegians attacking his police box near Seoul National University with firebombs.

Yi said alliance of Seoul universities will halt three-week-long protests outside the police box that flared when police tried to set up a police station near the Seoul National University campus.

"Time has come for the student movement to take on a new method of struggle, one which can earn popular support. We will launch a national campaign through petition drives at subways, public seminars and lectures," lee said.

"But we will not unconditionally throw away firebombs if the authorities continue to resort to guns, tear gas and riot police, " the student leader said, "we may use physical force if police does not even accept legitimate rallies."

Chondaehyop Sends Student Delegate to UN

SK0210095391 Seoul YONHAP in English 0933 GMT 2 Oct 91

[Text] Seoul, Oct. 2 (OANA-YONHAP)—Chondaehyop [National Council of University Student Representatives], the national alliance of student representatives, said Wednesday it had sent a delegate to New York, where he will announce the radical group's position on South and North Korea joining the United Nations.

The Central Committee of the alliance sent Yi Tu-wan, a Korea University philosophy senior, to New York on Sept. 28, a spokesman for the group said.

Yi is to have a press conference in New York to explain its position calling for a nuclear-free Korean peninsula, abolition of the armistice agreement and the signing of a North Korea-U.S. peace agreement. He will start fasting in front of the White House, the spokesman said.

Yi is to return to take part in the inauguration ceremony of "the vanguard of anti-U.S. peaceful unification" slated for Sept. 19, it was also said.

Missile Development in North, South Reviewed

SK2709022891 Seoul WOLGAN CHOSON in Korean April 91 pp 378-93

[Article by Yu Yong-won: "The Hyonmu Versus the Scud"]

[Text] **Gulf War Attests to Limits of Scud-B**

"We too must develop a long-range surface-to-surface missile [SSM]."

This is the assertion of those who view the army as the most important arm of the military, and while interest is being focused on the importance of air power as a result of the Gulf war ending after only 43 days. The call for development of a long-range SSM is in response to the improvement of North Korea's Scud-B missile, the boom in development of SSM's within the Third World, and the lessons of the Gulf war.

Although Iraq launched over 80 Scud missiles at Israel and Saudi Arabia during the Gulf war, the missiles only served to instill psychological fear in the populace without inflicting any serious damage or influencing the battle in any major way. The world, surprised on 18 January when Iraq launched its Scud missile attack on Tel Aviv, was also surprised by the insignificance of the damage.

Before the war broke out, the Scud missile was regarded as Iraq's "missile of massive destruction." In the end, it ended up being the "pie-in-the-sky missile." Although the Patriot missile's great achievements partly accounted for the Scud's failure, it was also an example of the limitations of SSM's in general.

Military experts point out that although SSM's equipped with conventional warheads have been used in actual battle on several occasions, they have not played a decisive role in changing the battle situation even once. During World War II Germany launched over 5,000 V2 rockets toward targets such as England, and during the Iran-Iraq war both sides launched hundreds of SSM's at each other.

In Afghanistan government forces launched 1,000 Scud missiles against the rebels during the year after the Soviet troops withdrew (1989 to 1990). The results of this, as with all the above examples, has been, "No decisive impact on the battle situation."

However, no one has yet raised the theory that SSM's are completely useless. On the contrary, Third World countries in conflict or competition have been increasing the intensity at which they pursue SSM development. India and Pakistan; Middle Eastern countries such as Israel, Egypt, Iran, and Iraq; Brazil; and the Republic of South Africa are all representative of such countries.

The reason for the SSM's popularity among these countries is that the missiles provide them a "long-reach punch" that, when equipped with nuclear warheads, will prevent the superpowers from readily attacking them. As a result, the international political stature of these Third World countries is enhanced, as is their right to have their opinion heard in the international arena.

This is also the reason why North Korea's Scud missiles are receiving attention. Although it is believed that North Korea still lacks the capability to deliver nuclear or chemical shells via missile, predictions are that North Korea's first nuclear bomb will be produced around 1995 and that they currently possess a massive volume of chemical weapons. If the range of North Korea's Scud missiles exceeds 600 km, they will be able to reach all of South Korea, as well as parts of China, the Soviet Union, and even Japan.

On 1 February 1991, the U.S. State Department issued a statement that aroused ROK intelligence officials. The statement reported that the United States was closely watching reports that North Korea was providing Scud missiles to Iraq. A foreign press report released before the State Department report had stated that North Korea had supplied the Iraqi Scud missile that fell on Tel Aviv.

The range of the Soviet-made Scud-B missile is 300 km. Thus, the Scud-B that fell on Tel Aviv was presumed to have been either the improved model Al-Husayn (range 600 km) or the Al-Abbas (range 900 km).

North Korea and Improvements to the Scud-B

The truth of this report remains unconfirmed. Experts say that if the report is true, it is highly probable that the missile North Korea provided Iraq was an improved model of the Scud-B (the Scud-PIP). The existence of this weapon, whose range North Korea increased beyond 500 km, was first discovered last year.

On 05 July 1990 the WASHINGTON TIMES quoted a U.S. intelligence source as stating North Korea had conducted a test launch of their improved Scud-B missile. According to this report, U.S. intelligence satellites in May 1990 photographed a new-model missile mounted on a launcher in the vicinity of Tokol on the East Sea [Sea of Japan] coast. This was the first information about the existence of such a missile. Following this, however, the missile disappeared. Close-in photography revealed that there were traces of explosion on the pad, appearing as if the test launch failed.

The length of this missile was 15.1 meters, with a diameter of 130 centimeters. Since this is bigger than the Soviet-made Scud-B missile (length 11.5 meters, diameter 90 centimeters), it was estimated that the range of this weapon would also have been increased to 500-600 km. Since this placed all of South Korea in the range of this weapon, it was reported that the missile would pose a serious threat to us in the South.

There is still virtually no precise information about the yield of this missile. One missile expert stated that based on North Korea's process of development, the missile is probably similar to Iraq's renovated Scud-B.

"The al-Husayn and al-Abbas missiles known to be used by Iraq in the Gulf war used the Scud-B framework, with the range of the weapon increased in exchange for a reduction in warhead delivery capacity. It appears as though North Korea has been working at increasing the range of its Scud-B's using the same methods. Thus, both the destructiveness and the accuracy of North Korea's improved model must be less than that of the original Scud-B."

The Soviet-made Scud-B missile is capable of delivering a warhead of 985 kg to a target 300 km away with an accuracy of 900 meters. If 100 Scud-B missiles were launched towards Seoul City Hall from a site 300 km away in North Korea, 50 of them would fall in a circle around City Hall with a radius of 900 meters. This would include the Unified Government Building, Namdaemun [South Gate], and the Lotte Hotel. The remaining 50 missiles would land in places such as Youido and Sinchon.

Because of this, Scud missiles are appropriate only for attacks on large targets such as cities. They lack efficacy in attacking military targets, such as command posts and communications facilities. Since air force bases are relatively large, they could be targets of Scud-B missiles, but it would be difficult for them to inflict great damage as long as they did not land on runways.

Iraq's al-Husayn missile has a range similar to that of North Korea's improved Scud-B. It is known to be capable of delivering a 500-kg warhead with an accuracy of 1.6 to 3.2 km. One expert cynically noted that with this degree of accuracy, there is basically no difference between a Scud and an unguided rocket. The al-Abbas missile, with its longer range, is able to deliver a 300 kg warhead with an accuracy of 3.2 to 4.8 km.

The Fierce Signals Intelligence War During Test Launch

Since the Scud-B uses liquid fuel, numerous difficulties are encountered in both maintenance and launch. Iraq needed time for Scud-B launch preparations. Expert defense data reveal that one to one and a half hours advance preparation is required. This time is required for adding the liquid fuel, warming up the equipment, and calculating wind direction and speed. Since liquid fuel is normally difficult to maintain, new-model SSM's primarily use solid fuel.

The Scud-B is not guided from its ground base to the target. Inertial navigation system (INS) equipment mounted in the forward portion of the missile calculates the missile's position as it flies through the air. Gyros like those used by aircraft to confirm their own position have an important function. This guidance system is known as the inertial guidance method.

The inertial guidance method employs the same method whether used with the grandfather of missiles, the V2 rocket, or the state of the art Intercontinental Ballistic Missile (ICBM); however, the accuracy of these missiles has improved drastically. The V2's degree of accuracy was within a number of kilometers, while the latest U.S. ICBM Peacekeeper (MX: range 15,000 km) has an accuracy of within 50 meters. One expert revealed that since the Scud-B missile requires an enormous amount of preparation for launch and has a low accuracy, it appears as though it uses a primitive type of inertial guidance system.

It was officially confirmed in January 1987 that North Korea was pursuing development of the Scud-B missile. The defense minister announced at that time that North Korea had recently conducted a test launch of a missile in an area north of Wonsan in South Hamgyong Province. These were missiles reverse-engineered by North Korea using several of the Soviet-made Scud-B missiles provided to the North by Egypt. Reverse-engineering involves taking the product apart piece by piece, understanding the components of each part, and making a product similar to the original through model production.

[The following is a textual rendition of a graphically depicted timeline]

North Korea's SSM Development Process (source—JANE'S SOVIET INTELLIGENCE REVIEW)

1981—Egypt provides Scud-B missiles to North Korea.
1981-1985—Reverse-engineering of the Scud-B.
1984—First test launch of Scud-B missile.
1985—Iran provides capital to support North Korea's Scud-B development.
1987—Production of Scud-B commences.
1987—North Korea begins to provide Scud-B missiles to Iran.
1987—Development of improved-model Scud-B commences.
1989—First test-launch of improved-model Scud-B.

Most of the intelligence we receive on North Korea's missile test launches is derived through signals intelligence. There were many instances where we knew of missile test launches before the fact, having intercepted North Korean military wireless communications traffic. There was also one instance where one of our monitoring units, having learned of an impending missile test launch through North Korean military communications, reported this to higher headquarters over radio. When North Korean military monitoring units intercepted this traffic, the North Koreans delayed the launch.

We depend a great deal on U.S. intelligence satellite and high-altitude reconnaissance aircraft photography such as that from the U-2 for intelligence on North Korean missile launch bases and production factories. Missile test facilities are primarily concentrated in a few bases along the East Sea coast including those north of Wonsan, with missiles launched towards islands in the East Sea. A production factory located on the outskirts of Pyongyang is known to be capable of producing up to 50 missiles a year.

The Scud-B that North Korea possesses is a mobile type that can be transported when loaded onto a vehicle. The vehicle onto which the missile is loaded is a North

Korean model of a Soviet-made vehicle, while the command and communications vehicle is said to be Japanese. North Korea has concealed these missiles in underground tunnels and has also recently constructed missile launch bases as close as the vicinity of the armistice line.

Import of Missile Technology From China and Egypt

The roots of North Korea's long-range SSM development can be found in the mid-1970's. Around 1975 to 1976, North Korea dispatched some high-ranking generals to China in search of joint development of a new SSM.

The missile was to have had a range of 600 km and a warhead weighing 500 kgs. This plan was pursued for a little over one year before it was canceled in 1978, along with the fall of China's Gang of Four.

Egypt was the country that gave life to North Korea's missile development, which at that point had come to a dead end. Egypt provided several Scud-B missiles to North Korea in 1981 in return for North Korean aid during the fourth Middle East war in 1973. While North Korea was concentrating on disassembling and reverse-engineering these missiles, they were also fervently trying to introduce missile-related technology from overseas. With this project, they abandoned their plan to reverse-engineer the FROG-7 missile, a plan that they had been pursuing since the early 1970's.

China, having been asked by North Korea for technical assistance, provided plans, production technology, metallurgy technology, and the like for rocket engines. Several other instances of attempts by North Korea to acquire technology were detected. In December 1987 North Koreans and Japanese of Tongmyong Trading Company located in Osaka were charged with suspicion of illegally exporting to North Korea 263 items, including integrated circuits, micro-frequency counters, and synchroscopes.

Data on North Korean, South Korean, and USFK SSM Missiles (Rockets)

	North Korean Missiles		
	FROG-7	Scud-B	Improved
Length (Meters)	9.5	11.5	15.1
Width (Meters)	0.55	0.9	1.3
Weight (kgs)	2500	6300	-
Range (km)	70	300	600-900 (est)
Accuracy (Meters)	400	900	1500-3000 (est)
Guidance Method	None	Inertial	Inertial
Fuel Type	Solid	Liquid	Liquid
Number Deployed	54	15	-
Year of Deployment	1975	1988 (est)	Under Development
	South Korean Missiles		
	Honest John	Paekkom	Hyonmu
Length (Meters)	7.5		
Width (Meters)	0.76		
Weight (kgs)	2040		
Range (km)	37	180	250*
Accuracy (Meters)	-		Under 500
Guidance Method	None	Radio Command	Inertial
Fuel Type	Solid	Solid	Solid
Number Deployed	12	X	12
Year of Deployment		X	1987

(*Estimated Data of U.S. Arms Control and Disarmament Agency, ACDA)

	USFK Missiles		
	Lance		
Length (Meters)	6.1		
Width (Meters)	0.56		
Weight (kgs)	1500		
Range (km)	120		
Accuracy (Meters)	150		
Guidance Method	Inertial		
Fuel Type	Liquid		
Number Deployed	1 Battalion (109 warheads)		
Year of Deployment	1986		

In October 1984 an Iranian businessman was indicted in New York when he was discovered attempting to illegally transport missile guidance and night vision equipment to North Korea. Through the Pyongyang Semiconductor Production Factory, which was completed in April 1987, North Korea has been utilizing semiconductor technology stolen from NATO countries and Japan from 1982 to 1987 in their missile development program.

Through such efforts, North Korea was able to conduct its first test launch in 1984 just three years after it received the missiles from Egypt. It is known that around 1987 they were first able to enter the production stage having encountered difficulties as the result of at least two failures.

Iran is deeply involved in North Korea's Scud-B development. During the Iran-Iraq war, Iran was flustered by

Iraqi Scud attacks. Irritated by their clear lack of a means of retaliation, Iran approached both China and North Korea. North Korea already had a close relationship with Iran, having exported a large number of weapons to them during the war.

Toward mid-1985 Iran concluded an agreement with North Korea offering to help with North Korea's Scud-B development. Iran agreed to provide financial assistance to North Korea's Scud-B development plan in exchange for the provision of missile-related technology and sales of Scud-B missiles by North Korea to Iran when they went into production.

This agreement resulted in a weapons sales contract concluded between Iran and North Korea in June 1987. This contract called for the supply of a substantial number of weapons totalling $500 million by North Korea to Iran including 90 to 100 Scud-B missiles. The supply of missiles is said to have been completed in early 1988, immediately after the conclusion of the treaty.

The Hyonmu, More Accurate Than the Scud

The Scud-B missiles provided by North Korea to Iran were used during the Iran-Iraq war to attack each other's cities in the so-called "war of the cities." This war began on 29 February 1989 and lasted for 52 days. In this war, Iran launched a total of 77 Scud- B's at Iraqi cities.

In 1987, as soon as Iraq test-fired its al-Husayn missile, Iran urged North Korea to develop an improved version of the Scud-B (the Scud-PIP). There are reports that Iran took dud rounds and missile fragments of the al-Husayn that had fallen on Iran and provided the intelligence derived from these parts to North Korea.

In addition to the Scud-B, North Korea possesses the FROG-5 (range 50 km) and the FROG-7 (range 70 km). Although these are capable of delivering both nuclear and chemical warheads, since they are not guided to their target they are considered rockets and not missiles. Their accuracy is poor, and they are capable of carrying 250 and 450 kgs of warhead respectively.

Based on range, the improved version of the Scud-B can attack the whole Korean peninsula while the regular Scud-B can reach Kimchon. The FROG-5 and FROG-7 can attack as far south as the Suwon area. Great Britain's International Institute for Strategic Studies in their "Military Balance" published last year revealed that North Korea possesses 54 FROG-3, FROG-5, and FROG-7 rockets, together with 15 Scud-B missiles.

The South Korean long-range SSM is the Hyonmu [black weapon]. This is our answer to the threat of North Korea's SSM's. The Hyonmu has improved guidance equipment and a longer range than the Paekkom [white bear] missile that was successfully test-fired in September 1978. Development of the Hyonmu commenced in 1984, test-firing was successfully conducted in 1987, and deployment took place after that. Its range is 250 km, and its accuracy is said to be greatly superior to the Scud-B. It is capable of delivering nuclear warheads, and ROK forces currently possess around 12.

The prototype for this missile was the Paekkom, which was a new missile based on the U.S. SSM Nike Hercules. Its external appearance was so similar to the U.S. missile that it was hard to tell them apart. Subsequently, at both the test launch in 1978 and subsequent Armed Forces Day celebrations, whenever this missile was put on display many defense experts quipped to themselves, "So that's that!" concluding that the Paekkom had been made after making some appropriate changes to the combination surface-to-air, surface- to-surface Nike Hercules missile.

However, this was far from the truth. Only the prototype was similar to the Nike Hercules. The body itself was completely newly designed and the composition of the propellant was changed as well. The Nike Hercules arrives at its target in two stages. The first-stage rocket is a double-base model, and the second-stage rocket uses a composite propellant. The Paekkom, on the other hand, uses a composite-type propellant for both the first and second stages.

Designed for Targeting Pyongyang, Air Force Bases

A double-base propellant has less thrust but produces less smoke. A composite propellant has greater thrust but also produces more smoke. Since the Paekkom uses composite-type propellant for both its first and second stages, its thrust is much greater than the Nike Hercules. Thus the need developed to make the frame of the rocket much stronger to tolerate the extra thrust, requiring a total redesign of the frame.

One official who participated in the development compared the propellant to an automobile's engine. "If you simply placed a large car's engine into a mid-sized automobile, would it be able to run properly? You need to change the power transfer equipment, as well as the strength of the car's body itself to match the new engine, right? The same is true with a missile."

There were also large political reasons for the Paekkom to have the same external appearance as the Nike Hercules: We had to be cautious of U.S. reaction. One official noted that the similarity in design was intended to gloss over the differences between the Paekkom and the Nike Hercules by convincing the United States that the ROK SSM development program was merely designed to improve the older-model Nike.

The missile design team began first by completely disassembling the Nike Hercules. Based on these results, efforts were made to take a "new" frame "similar" to the Nike and place "new" contents inside. This was essentially a new type of reverse-engineering different from the original meaning of the word. One expert who was deeply involved in the development project revealed the difficulties they experienced because of this approach, saying: "Since we had to build a new house within an existing framework already provided, there were many limitations, making it even more difficult than if we were to have made a completely new missile."

The development of the Paekkom was a central project in President Pak Chong-hui's efforts at independent national defense. This project was begun in February 1974 and ended in October 1978. One great influence on the commencement of this program was the fact that up until the early-1970's, while North Korea was importing FROG-5 and FROG-7 missiles and threatening Seoul, South Korea lacked an SSM capable of attacking Pyongyang.

President Pak felt an urgent need for development of a domestic defense industry. He thus established the Agency for Defense Development (ADD) in 1970, an agency viewed as an unprecedented science think tank. Two years later in 1972 deliberations commenced over the feasibility of an SSM project. In 1974 a missile research team was inaugurated. In the early stages, the team centered around seven to eight domestic scholars joined by people who had previously participated in rocket development pursued by the ROK Air Force Academy and Naval Academy.

In any project there is a need to first establish a target; similarly, the targets of the missile were determined. The first target was Pyongyang while the second target was air force bases, a military target. The missile was designed with these targets in mind.

The greatest difficulty encountered by the development team was the problem of propellant. The development team first attempted to import propellant from the United States. At the time, there were two U.S. companies that produced propellant, the (Cycle) and (Hercules) companies. Contacts with these companies resulted in their response that they would sell propellant to us only with approval from the U.S. State Department, which authorizes export of weapons from the United States.

Production of Propellant Becomes Watershed for Development

Just as we had been worried about, the State Department—who held the key to obtaining the propellant—applied the brakes. Having no alternative, we turned to France. Although the government-run propellant production factory was amenable to selling production technology, they requested an exorbitant amount of money for it. A critical time had come when the plan itself faced being totally abandoned.

However, the same lady luck who seemed to have turned her back on the development team turned around and began to smile at them once again. The development team had gone to Los Angeles on a business trip in 1975 when they discovered a Lockheed propellant factory in Redwood that had stopped production and closed down. Lockheed was undergoing management difficulties at the time. As soon as the team queried Lockheed, they responded that although they would be unable to sell the technology, they could sell the factory itself. Even the U.S. State Department gave its approval for the sale of the factory facilities.

The development team purchased the factory for a relatively low price, disassembled the equipment, and brought it back to Korea. Technology was successfully imported after making a satisfactory compromise with France. Eventually, propellant was produced here in Korea using French technology and U.S. equipment. One official described this as "one of the greatest strokes of luck throughout the entire missile production process."

As the development progressed, the team grew larger both through the recruitment of scientific brainpower from overseas as well as through the employment of new personnel. This brought experts from engineering fields such as electronics, metallurgy, machines and aerospace, together with those from the basic sciences of physics, chemistry, and mathematics. President Pak himself came down on several occasions to Taejon to witness wind tunnel experiments and the like, offering encouragement to the development team.

The first test launch was conducted in April 1978. It was done at a base located on the West Sea [Yellow Sea] coast aimed at an island in the sea in front of Kunsan. Although a total of six or seven test launches were conducted, the first two failed, having been lost after launch. At the time, the Paekkom missile was guided from a ground base using radio instructions for guidance until it reached its maximum height.

The development team immediately began work on improving the guidance system, producing entirely new guidance and control equipment. The third test launch was conducted with this new guidance system and was much more successful than the development team had even expected. The accuracy of the missile was outstanding and was kept extremely secret. Although the degree of accuracy does not even appear in any overseas professional data on the subject, it is estimated to have been much more accurate than 500 meters.

Five months after this on 26 September 1978, our country became an "official" possessor of domestic-made SSM's. As the Paekkom disappeared from sight with flame spewing from its tail and accurately landed at its target point in the sea in front of Kunsan, the development team hugged each other and shed tears of emotion. Even President Pak is said to have beamed with joy at the sight.

The range the Paekkom covered that day was equal to the distance from the armistice line to Pyongyang. According to official military data, the range of the Paekkom is 180 km.

On this day, three other new weapons in addition to the Paekkom were displayed for the first time. These included a medium-range surface-to-surface rocket, a multiple launch rocket, and an antitank rocket. The medium-range surface-to-surface rocket had two shortcomings. One was that it was a rocket and not a missile. It was designed for a range of around 40 km without any guidance equipment.

United States Flew Reconnaissance Flights Over ADD

Another shortcoming was that many believed that the medium-range rocket was merely a copy of the U.S. Honest John rocket. In his thesis entitled "The U.S. Nuclear Dilemma in Korea," Peter Hayse, a famous expert on nuclear weapons deployed on the Korean peninsula, writes: "South Korea continued its work on nuclear weapons development. In 1978 it displayed a missile that was a copy of the U.S. Honest John and Nike Hercules missiles."

The truth was, however, that the medium-range rocket was not a copy of the Honest John, but instead was a completely newly designed rocket with an external appearance different from that of the Honest John. Compared with the development of the Paekkom, the "extremely easy" development of the medium-range rocket terminated with this test launch, never being deployed.

The antitank rocket also was not deployed. This was because it was defeated in competition with a U.S.-made antitank rocket. Only the multiple launch rocket was put into large scale production, appearing every time there is an Armed Forces Day celebration.

Even after the Paekkom completed its successful test launch, it was not deployed. The reason is well depicted in the memoirs of Kim Chong-kyom (age 67), a former secretary general to the president.

"As soon as we developed and were able to mass-produce on our own a surface-to-surface guided missile that could hit Pyongyang, the United States quickly changed its policy and said that USFK would introduce and operate their own long-range guided missiles, requesting that we hold back on producing our own Korean-model long-range missile. President Pak received a firm commitment from the United States on this and agreed to hold back production."

One official deeply involved in missile development also confirmed that the attitude of the United States became much more flexible once we had succeeded in developing our own missile. During the period of development, the United States placed absolute control on technology assistance related to the project. Not only that, but as soon as the U.S. request to permanently station a member of the Joint U.S. Military Advisory Group (JUSMAG) in the research center was rejected, they did not hesitate to conduct flagrant intelligence collection such as reconnaissance flights over the research center as well as diversionary actions.

The Lance Missile was deployed with USFK in 1986. It is a gift as part of the firm promise made by the United States to President Pak. The range of the Lance is 120 km and is thus unable to reach Pyongyang. However, its accuracy is high, and it is capable of delivering a nuclear warhead of 15 kilotons (corresponding to 15,000 tons of TNT, a yield similar to that of the bomb that fell on Hiroshima). It is capable of reducing a wide area to ashes with a variety of conventional shells as well, including cluster bomb warheads.

85 Billion Won Invested in Development

Officials insist that although the Paekkom was never actually deployed, it had great significance.

One official stated it like this: "Through the development of the Paekkom, we gained the ability to independently develop guided missiles on our own. Although the spinoffs from this to the civilian sector are still small, the development of the Paekkom has been significant in the establishment of a universal system of science and technology."

Although it is difficult to put a monetary evaluation on the Paekkom development project, there certainly were exorbitant costs involved. The development costs alone were 18.3 billion won, while the amount spent on creating an infrastructure such as research and test facilities is known to be 32.1 billion won. If you add in the 34.6 billion-won development costs of the Paekkom's successor, the Hyonmu, then in essence a total of 85 billion won has been expended on just the development of an SSM. This is a considerable amount more than the costs involved in developing the domestic TDX-1 electronic switching system, regarded as the greatest product of Korea's science and technology. Thus missile development is estimated to be the largest of any single science and technology project yet.

Various domestic defense companies participated in the development. The project was divided into guided shell and launch control equipment sectors. Companies that participated in the production of the guided shell's frame include D. Heavy Industries and K. Precision, while H. Chemical and S. Metals participated in the warhead sector. The propellant assembly was developed with participation of S. Aerospace and S. Special Steel, while the launcher was entrusted to H. Company and D. Heavy Industry. In the launch control equipment sector, D. Electronics, K. Precision, and H. Company participated in the manufacture of detection equipment.

There are virtually no cases where any of the technology accumulated by these companies has been directly applied to commercial technology in the civilian sector. One can easily imagine that the technology was only useful in forming the basis for the development of the Hyonmu, the improved model of the Paekkom.

One former researcher from the ADD insisted that if you look at all the companies involved and look beyond the Paekkom development itself, then there was a good amount of influence on the entire Korean science and commercial technology sectors.

"The ADD constructed the 'framework' of science and technology in our country, which had previously been no more than an S&T wasteland. Those high-ranking ADD brains who threw their whole lives into the institute have been active in various places including academia, research institutes, and the industrial sector, contributing greatly to development of the civilian sector."

There are many cadre of the ADD who, having lost their positions during the whirlwind of firings in 1980 and 1982, are occupying key positions in various sectors. Dr. Sim Mun-taek, who had been the head of the institute, was rehired as a chemistry professor at Kyonghui University before retiring; Dr. Yi Kyong-so (age 53), the deputy director of the institute, is currently serving as president of Kukje Fire and Marine Insurance.

So Yon-uk (age 57), vice minister of science and technology; Kang In-ku, vice-president of Goldstar and head of the central research institute; and Choe Ko-yon (age 59), managing director of Goldstar Industrial Systems, are all "ADD men" who are predominantly active in their fields. The largest number of these men can be found active in the academic world, with the number of professors who previously served with ADD averaging four or five in the engineering departments of Seoul National and Yonsei Universities.

However, dark shadows remain within the ADD missile development team, since this was the team that suffered the greatest blows during the two firing maelstroms. When 40 ADD personnel were fired in August 1980, and when 859 were dismissed towards the end of 1982, most of them were members of this team.

As the massive firing of Fifth Republic officials in 1989 became a social problem, the purge within the institute, which had previously been hidden, was revealed. Strong suspicions were raised whether the heavy setbacks suffered by the missile development team were not a case of the team members being made sacrificial lambs in a "mutual deal" between the Fifth Republic regime and the United States.

Help in Rocket, Satellite Projects

Our country has one weapon aside from the Hyonmu that is similar to North Korea's FROG: the Honest John. This is a rocket that lacks any guidance equipment and is able to deliver a 580 kg warhead over 37 km. In the 1990 edition of MILITARY BALANCE, it was revealed that South Korea has 12 of these rockets.

SSM's have a close relationship with the development of rockets that transport manmade satellites to their orbit. Plans right now call for launching a scientific observation rocket in 1993 on the occasion of the 1993 International Trade and Commercial Exhibition in Taejon. This rocket will be loaded with 150 kg of scientific materials and will be located 150 km over the Korean peninsula, observing atmospheric conditions, the ozone layer, and the ionosphere.

The Korean Aerospace Research Institute under the direction of the Ministry of Science and Technology is overseeing this project. Four government research institutes, three universities, and six companies are participating in the project, including ADD, the Standardization Research Institute, Seoul National University, the Science and Technology University, Daewoo Heavy Industries [DHI], and Hanguk Fiber Glass. Some 5.378 billion won will be invested by 1992 in the first stage.

DHI was the very first to domestically produce a mid-air observation scientific rocket, the KSR-1, in July 1990. Seven meters long and weighing one ton, this rocket is smaller than the scientific observation rocket that will be launched in 1993 (10 meters long and weighing two tons). Even so, it appears as though the KSR-1 will be the model for the rocket to be launched later. In developing this rocket, the experience of the Paekkom and Hyonmu will be a big help. The person currently serving as the head of the Aerospace Research Institute, Hong Chae-hak, is also an "ADD man."

According to the "Adelpha Paper" published in 1990 by Britain's International Institute for Strategic Studies, our country pursued the development of a rocket called the "Centaur" toward the end of the 1970s, abandoning the project in 1980. This remains unconfirmed. One expert noted: "If we really wanted to, we are capable of producing the U.S. Scout-class rocket." The Scout is a small solid-fuel rocket capable of carrying a 180 kg payload into orbit, produced by U.S. LTV company.

Our country also has plans to put a scientific observation satellite into orbit as well as a communications satellite. The Science and Technology University is the backbone of the scientific observation satellite project, developing a satellite that will be launched in March 1993 based on Great Britain's Surrey College's satellite. The communications satellite project, called the "Mugunghwa Project," is an ambitious project of the Ministry of Communications to launch two communications satellites by 1996 with a budget of 300 billion won.

In order to launch these scientific observation and communications satellites, large liquid-fuel rockets are necessary. However, we still lack the capability to produce such rockets. The scientific observation satellite will be put into orbit using the European Ariane rocket, while the means of delivery for the communications satellite has still not been decided. Thus, those areas of the satellite projects in which we are directly involved are the production of the satellite itself as well as the ground support facilities.

The United States is also sensitive to rocket developments by the civilian sector. They are suspicious that these programs may actually have military objectives. Every time a report goes out on rockets and satellites, the United States is said to markedly intensify their restraints on us.

Proliferation of Third World Missile Development

One official of the scientific observation rocket development team noted that during the Gulf War, the United States made a big deal over a television news report. At the end of one report on scientific observation rocket development, a superfluous remark on the North Korean Scud missile threat was made. The United States immediately began intensive inquiries into this trivial remark. Because of this, this official politely refused a request for an interview concerning rocket development, saying that it would be difficult to assent to such an interview.

Although it appears that the United States is being overly sensitive on this issue, they are not completely without reasons to be so. That is because there is a close relationship between the competition in the Third World to increase the range of their missiles and the development of delivery systems (rockets) for manmade satellites. In 1989 India surprised the world when it successfully launched the Agny, a medium- range ballistic missile with a range of 2,500 km. The first stage rocket of the Agny was the SLV-3 made by India, a rocket used for delivering satellites.

The SS-1000 is a missile with a range of 1,000 km being developed by Brazil. It is known to be based on the delivery vehicle for the Sonda-4 satellite. Then there is the case of Israel, whose missile development was influenced by their space development program. Based on the Jericho-2B with a range of 1,500 km, Israel launched the Shabet rocket in 1988. Even Iraq, who continues to improve the Scud-B, tested the al-Abid in 1989, a rocket for use in delivering manmade satellites.

All these countries share the similarity of being either countries who currently possess nuclear weapons or will possess them in the near future. If these states posses nuclear weapons **AND** continue to increase the range of their missiles, it would be the equivalent of Mike Tyson increasing his reach while being equipped with a nuclear punch.

The United States, feeling threatened by the Third World's missile development competition, together with the other seven Western developed nations, formed the Missile Technology Control System (MTCR) in 1987. This system designates missiles capable of delivering a 500 kg warhead over 300 km as being capable of transporting nuclear warheads, strictly controlling technology related to such missiles.

Without fail, the Scud missile is a "regular customer on the battlefield" every time a war breaks out. Even the Soviet Union, a producer of these Scud missiles, is being cautious in providing these missiles and technology. It is known that the Soviet Union neither provided Scud missiles nor technical assistance to North Korea.

This was the very first indication that the superpowers might be putting the brakes on the flow of missiles to Third World countries through such controls. The Condor II missile development plan that was jointly being pursued by Egypt, Iraq, and Argentina is known to have been canceled at the persuasion of the superpowers.

Emergence of Theory on SSM Importance

States attempting to obtain regional hegemony in this manner received a great impetus from the Gulf war, it seems. One military affairs expert passed on the following:

"The defeat of Husayn in the Gulf war had the effect of sending an alarm to countries seeking regional hegemony. Those who claim that the biggest reason the United States retaliated so strongly against Iraq is because of its nuclear development have a rather convincing argument.

"Furthermore, Iraq has been constantly increasing the range of its SSMs, which are an important means of delivering nuclear weapons. The United States was uneasy about this and was intending to do something in response when the Iraqi occupation of Kuwait provided an excellent excuse."

However, the Gulf war also threw cold water on the international mood of arms reduction. A large number of people insist that in the future, SSM development will assume even greater importance in the military buildup among Third World countries, a build-up that appears likely to accelerate.

Voices advocating the theory of placing greater importance on SSMs within our military are rising as well following the above interpretation. Their argument is as follows:

"Long-range SSMs are an effective tool with which to strike the enemy's capital or major facilities without incurring any particular danger. Although air power is able to carry out a similar role, there is a concern that the use of air power would lead to all-out war and that pilots would be sacrificed.

"Under the current circumstances, if North Korea was to attack major facilities in our rear area using its improved Scud-B missiles, we would be forced to use attack bombers if we wanted to retaliate in a similar manner. This would readily provide North Korea with a pretense by which to say that we provoked an all-out war.

"Iraq, having completely lost air superiority, had only the Scud missile as a means of attacking. If the coalition forces had lacked a means of intercepting Scud missiles such as the Patriot, then the face of the war would have been completely different. Since the Soviet Union lacks a demonstrated means like the Patriot of intercepting tactical missiles, it will be difficult for North Korea to possess such a means for the present time.

"The boom in SSM development within the Third World demonstrates the international political and strategic significance of this weapon. Even if the threat from North Korea is reduced in the future and unification accomplished, SSMs would be an effective means of restraining peripheral superpowers such as China, the Soviet Union, and Japan."

Significance In Expanding Breadth of Strategic Options

In a report drafted by the Ministry of National Defense [MND] toward the late 1980s entitled "Proposal for the Strategic Sector by the Committee for Vitalization of Research and Development," it is quite apparent at what level our SSM development plan is. According to this report, an SSM with a range of 500 kilometers is to be developed by 1995 and an SSM with a range of 1,500 kilometers is to be developed by the year 2000.

The 500-kilometer missile weakens the enemy's willingness to launch provocations due to its ability to threaten enemy command elements. It is also capable of attacking enemy aircraft runways. The 1,500-kilometer missile targets threats to military power in Northeast Asia as well as industrial power in the Far East. It is still difficult, however, to find any indications in this report that this development is currently being pursued.

If the range of an SSM exceeds 500 kilometers, then parts of China, Manchuria, and Japan would fall within its range. A 1,500 kilometer missile would bring Beijing, Vladivostok, and Tokyo within its range. If so, these countries clearly would show a sensitive response. The United States, which exerted pressure on us to limit the range of the Hyonmu to 250 kilometers so as not to allow it to reach Manchuria, would also be sensitive to missiles of greater range.

However, China already possesses ICBMs and medium-range ballistic missiles capable of reaching the entirety of our country. Although Japan possesses an SSM called the SSM-1, its range is only 200 kilometers. Considering that Japan launches its own satellites using self-made rockets, there are many experts who believe that Japan is capable of producing a medium-range ballistic missile (range 1,000 to 4,000 kilometers).

SSMs and air power together form a "punch with long reach," providing a tool by which peripheral superpowers and North Korea cannot easily dismiss us. The only problem that remains, insists one military expert, is the attitude of thinking of these missiles as only a "countermeasure."

"From ancient times, soldiers have been trapped in the 'eye for an eye, tooth for a tooth' way of thinking. This thinking would posit that the best means of suppressing tanks is with tanks and that the fiercest enemy of a submarine is another submarine.

"Just as was proven in the Gulf war, victory or defeat on the modern battlefield is decided by how well a variety of weapons systems are used.

"There are many limitations to believing that the best countermeasure for an SSM is another SSM."

One missile expert who requested anonymity noted that based on economic considerations alone, development of an SSM is a "losing business." In other words, the usefulness of the weapon is not as high as the costs that go into development.

SSMs have great international political and strategic influence. Accordingly, the significance of SSMs must be considered within the aspect that they widen the breadth of strategic choices. In the question of "SSM or air power?" it is not desirable for the army to consider that SSMs are the only choice, while the air force believes that only air power is important. Such logic of choosing only one or the other is not desirable. When interests conflict over the budget issue, options must be rationally prioritized by taking into account both the security environment of the Korean peninsula and the lessens of the Gulf war. Additionally, it seems as though it might also be necessary to make a statement of profits and losses on the 85 billion won already invested in the SSM development program.

Jailed Dissidents Begin Hunger Strike

SK0210020991 Seoul THE KOREA TIMES in English 2 Oct 91 p 3

[Text] Hundreds of "prisoners of conscience" detained in 28 prisons started an indefinite fast Tuesday [1 October] demanding the government release them and repeal the National Security Law, a dissident group of families promoting democratization movement said.

An announcement by Mingahyop [Council of the Family Movement for Practicing Democracy] said the prisoners decided to stage a hunger strike in protest against the National Assembly's failure to discuss democratic reforms even after the inter-Korean relations met a turning point with the two Koreas' simultaneous entry to the United Nations.

Mingahyop said the strike would be joined by more than 1,300 inmates, including the Rev. Mun Ik-hwan, advisor to Chonminnyon, or the National Alliance for Democratic Movements, and Yi So-ho, chairman of the executive council of Kukminyonhap, or People's Alliance.

Ministry Plans Air Navigation Safety Upgrade

SK0210042491 Seoul THE KOREA HERALD in English 2 Oct 91 p 3

[Text] The government plans to drastically improve air navigation security systems at the country's airports by 1999 to meet the anticipated sharp increase in air traffic, the Transportation Ministry said yesterday.

A total of 140 billion won will be spent for the project which will include introduction of the up-to-date microwave landing system (MLS) at the nation's major airports, including Kimpo International Airport, ministry officials said.

The country's local airports will gradually be equipped with high-precision landing guidance systems such as instrument landing systems (ILS) AND VHF omnidirectional radio ranges and distance- measuring equipment (VORDME), they said.

These systems will allow aircraft to land in deep fog which often reduces the pilots' visibility to 400 meters, they said.

Once these systems are installed, they said, flight-cancellation rate at the airports will be reduced from current 15 percent to around five percent.

According to the officials, Ulsan Airport has the highest flight-cancellation rate with 17 percent, followed by Sokcho Airport with 15 percent and Pohang Airport with 10 percent.

Kimpo International Airport, the main gateway to the country, has the lowest cancellation rate with 0.5 percent.

The flight cancellation rate at Kimpo will be reduced to near zero once the modernization program is implemented as scheduled and the airport's ILS category is upgraded to three from current grade two, the ministry officials said.

The airport obtained ILS category two in October, 1990 which permits aircrafts to land when the pilots' visibility falls to 350 meters, they said.

As a category three airport, a pilot can land aircrafts when visibility drops to as low as 200 meters, they said.

The plan to upgrade the navigation system of the Kimpo airport includes installation of the up-to-date S-mode ground-control radar system, the officials said.

The plan also includes introduction of a microwave-landing system whose use the International Civil Aviation Organization [ICAO] authorized beginning in 1998.

MLS will also be introduced at the country's two other international airports—Kimhae and Cheju—by 1998, they said.

The MLS system, now under test use at some foreign airports, will guarantee higher precision than the conventional ILS but also solves the frequency-jamming problem, one of the major defects of the current ILS, they said.

Besides these, they said, the government plans to introduce future-generation air-navigation systems, such as the global position system (GLS) and automatic-dependent surveillance (ADS), both using a globe-covering satellite network.

The satellite navigation system has already been used by the United States and the Soviet Union for their military aircraft.

South Korea participated in an international conference on the future-generation air-navigation system held in Canada last month. The session was hosted by the ICAO.

In another effort to enhance the efficiency of air navigation of civil aircraft, the officials said, the operation right of the Air Route Traffic Control Center (ARTCC) in Taegu will be handed over from the Defense Ministry to the Transportation Ministry by 1994.

ARTCC covers all aircraft flying over South Korea, military and civilian.

To meet the sharp increase in domestic air traffic, the officials said, the air routes between Seoul and Cheju will be doubled from the single route in use now.

The government also plans to take over the job of inspecting air navigation ground signal systems such as the VHF omnidirectional radio range and tactical air navigation aids which have been conducted by the Federal Aviation Agency of the United States.

The U.S. agency has conducted the service in Southeast and East Asian countries, the official said.

Labor Unions Protest Plans To Revise Laws

SK0210031291 Seoul THE KOREA TIMES in English 2 Oct 91 p 3

[Text] Both conservative and progressive labor organizations have voiced strong objections to the government's intention to revise pertinent labor laws to adopt a combined salary base.

The Federation of Korean Trade Unions (FKTU) and Chonnohyop, or the National Council of Labor Unions, joined hands yesterday in denouncing the government-ruling party move and vowed to continue their struggle until the plan is abandoned.

The introduction of the combined salary base, mainly designed to ease the process of annual wage negotiations, is part of the Labor Ministry's revision package which would also allow labor unions to engage in political activities, ministry officials explained.

Upon learning that the ruling Democratic Liberal Party [DLP] is planning to push for the deliberation of the revision at the ongoing regular session of the National Assembly, representatives of the FKTU visited the DLP headquarters yesterday to express their strong objection.

They demanded that the DLP immediately retreat from their intention to pass the revision into law and said 200 FKTU members will go into an indefinite protest at their headquarters to realize their purpose.

The FKTU representatives also revealed that 20 nationwide groups under its wings will also put together protest movements to ensure that the progovernment revision is scrapped.

Meanwhile, Chonnohyop leaders said they will take the issue to form the basis for a renewed anti-government struggle, charging that the current labor law discriminates against workers.

They said they will form a committee to propose their own draft for a revision to the labor laws in view of the fact that Korea will soon become a member of the International Labor Organization, a body under the wing of the United Nations.

Burma

Parties Deny Support for 'Parallel Governments'

BK0210092991 Rangoon Burma Television Network in Burmese 1330 GMT 1 Oct 91

[News Release No. 30/91 of the Commission for Multiparty Democratic General Elections, dated 1 October 1991]

[Excerpts] 1. The Election Commission has put on record statements by political parties and organizations declaring their nonsupport for, objection to, and denunciation of the U Nu and Sein Win parallel governments. A summary of these statements is hereby made public to keep the people informed.

A. The National League for Democracy, NLD, has said that it offers no support to as well as objects to the formation of the U Nu parallel government. It does not support the formation of a government in exile nor the government in exile led by Sein Win [National Coalition Government of the Union of Burma].

The NLD objects to the claim by the Sein Win-led exile group that it represents the NLD and denounces the Sein Win group's collusion with the insurgent KNU [Karen National Union] led by Nga Mya [derogatory term for KNU Chairman Bo Mya].

B. The Patriotic Old Comrades League, POCL, says that the U Nu parallel government had ceased to function since the Revolutionary Council took over the reins of state power on 2 March 1962. However, taking advantage of the events in 1988, U Nu formed the parallel government which failed to receive the support of the people.

This League is of the opinion that the move was improper and was entirely in contravention of League principles. The League therefore does not support the U Nu parallel government and strongly denounces it.

In addition, the parallel government headed by Sein Win falsely declared that it was given a mandate by over 200 representatives of the NLD to form a coalition government in exile. Since many of the POCL candidates ran under the banner of the NLD, it has to say that the declaration is totally untrue.

Sein Win's parallel government is completely outside the legal framework and is operating in a manner that is opposed to peaceful democratic means. Since the Sein Win parallel government is not only colluding with the insurgent organizations but is also opposed to the League's policies and programs, the League does not support the Sein Win government and denounces it.

C. The Democratic Labor Party, Myanmar [Burma], says it is of the conviction that a government like the U Nu parallel government should not exist. This being the case, it does not support the U Nu government. In addition, Sein Win, who leads the Sein Win parallel government is too inexperienced in politics. It must then be simply stated that he is too young to the affairs of politics [preceding nine words rendered in English]. [passage omitted]

D. People's Volunteer Organization, Myanmar: This organization has refrained from supporting the U Nu parallel government since its very inception. The U Nu parallel government has neither the characteristics of a government nor the support of the people, and this organization therefore does not support it. [passage omitted]

2. A summary of the statements by the other political parties will be made public later.

Brunei, Malaysia, & Singapore

Malaysia

Developed Nations Condemned for Science Monopoly

BK0110101491 Kuala Lumpur BERNAMA in English 0945 GMT 1 Oct 91

[Text] Kuala Lumpur, Oct 1 (OANA-BERNAMA)—Malaysia condemned the North for monopolising scientific and technological knowledge needed for development in the South.

Foreign Minister Abdullah Haji Ahmad Badawi said Monday transnational corporations in the North controlled the flow of technology which was crucial for economic growth and development of developing countries.

"Knowledge is becoming increasingly privatised and the South is being excluded," he told the fifteenth annual meeting of ministers of foreign affairs of the Group of 77 in New York. His text of speech was released here by the Foreign Ministry.

Abdullah said as technological innovation in key new fields was vital for revolutionizing society and human advancement, the principle of science as the shared heritage of mankind was being systematically eroded.

He added: "They (transnational corporations) decide where to locate productive operations and on what terms they will provide services and transfer of technology guided entirely by their worldwide corporate interests that are often in conflict with the interests of most developing countries.

"Thus, developing countries find themselves increasingly unable to predict, let alone regulate, these flows."

He said Malaysia fully subscribed to the validity and the need to fully implement the Vienna programme of action on science and technology for development adopted since 1979.

Malaysia would welcome the consideration to establish a United Nations financing system for science and technology for development as envisaged in the Vienna programme of action, he added.

Abdullah said although the world scene was characterised by dramatic change in Eastern Europe, the ending of East-West tensions, and improved prospects for arms control and disarmament, there was no indication that the growing North-South gap in terms of power and wealth was going to be narrowed.

The two-track world economy, which became so visible in the 1980s with the developed world continuing to grow and prosper and a large majority of developing countries facing stagnant or declining living standards, was likely to persist, he added.

He said there was also no clear response from the North of the need to link development issues to questions concerning the protection of the global environment.

Although the protection of the environment was a matter of global concern, the manner in which the North was attempting to define issues introduced an element of potential North-South conflict, he added.

Abdullah said in the light of these negative features of the international scene, developing countries should rely on their own resources and efforts to revitalise development in the 1990s.

"This calls for stepped up efforts at South-South cooperation," he added.

Joint Military Exercise Series Begins 30 Sep

BK0110072091 Kuala Lumpur BERNAMA in English 0612 GMT 1 Oct 91

[Text] Kuala Lumpur, Oct 1 (OANA/BERNAMA)—Members of the Five Power Defence Arrangements (FPDA) Monday [30 September] began the fourth and last joint war exercise to be held under the Air Defence Exercises (ADEX) series this year.

The four-day event, in Singapore and Malaysian airspace, involves the Air Forces from FPDA members, Australia, New Zealand, Singapore, Britain and Malaysia, besides Navy, Army and Civil Defence personnel from all five countries.

A spokesman of the Integrated Air Defence System (IADS) headquarters in Butterworth, north of here, which coordinates the exercise, said more than 100 aircraft and 10 warships were taking part.

The exercise is divided into two phases covering simulations and practical manouevres in battlefield conditions to enable the personnel to familiarise themselves with wartime situations, he added.

"The exercise also demonstrates the efforts to upgrade the level of cooperation among the countries of the FPDA," the spokesman said.

The exercise is aimed at demonstrating the preparedness of the forces in protecting the Singapore and Malaysia airspace from intrusions, he added.

Radio Commentary Hails Japanese Emperor's Visit

BK0110133491 Kuala Lumpur Voice of Malaysia in English 0800 GMT 1 Oct 91

[Station commentary]

[Text] The visit by Japanese Emperor Akihito to Malaysia is of great symbolic significance. It reinforces the close and friendly ties between Malaysia and Japan. Both countries have always enjoyed the cordial [words indistinct] trade and economic relationship. It is this interaction over the years that has seen Malaysia progress toward economic diversification. In fact, Japan was one of the first few countries [words indistinct] and exports from Malaysia to the rest of the world [words indistinct]. Even more important is that the Japanese monarch has chosen Thailand and Indonesia besides Malaysia to visit.

He has chosen Asia as his first venue since becoming emperor. Also this is the first ever by any reigning Japanese emperor to Asia. This reflects the growing emphasis on Asia, including Malaysia, in the foreign relations of Japan.

The bond is very close in certain areas between Malaysia and Japan. Japan has already emerged in the economic sphere as the largest investor, trader, and aid donor to Malaysia. On a larger scale, the industrial economies of Malaysia and ASEAN have moved much closer to Japan. Therefore, it is no exaggeration to say that the industrialization efforts in Malaysia and ASEAN depend to a very great extent on Japan for their success.

Since the Second World War, Malaysia's attitude and that of other ASEAN countries have changed from one of skepticism to one of deep admiration of Japan. Malaysia, for example, launched the Look East Policy in the early 80s which has Japan as a model to emulate. In the process, Japanese working and trading with Malaysians have inculcated their work ethics and influenced Malaysians toward improving their efficiency and productivity.

Since their entry to Malaysia about three decades ago, Japanese electrical consumer products have become a household name. According to a report on Japanese investments with its Asia-Pacific partners, no country is open to Japan more than Malaysia. Japan was the new thrust in Malaysia's economic development. The 70s and 80s saw increased Japanese investments, thus enhancing bilateral trade signficantly. Visits by heads of both countries also increased. The visits show the kind of importance both countries attach to their desire to increase consultations and make this relationship work.

By now, Japan's role in the Asia-Pacific region is even more important. It has to take a leading role in helping to make the region a more dynamic area. Also, its support is vital to the East Asia Economic Grouping [EAEG]. There is no reason why Japan cannot [words indistinct]. After all, it continues to strongly advocate for free trade which is what the EAEG is all about. Nevertheless, Japan's [words indistinct] role of the EAEG [words indistinct] the reality is left to be seen.

This being the case, Emperor Akihito's visit to Malaysia is timely as it will allow Malaysia to further [words indistinct] of the EAEG. In addition, it would establish closer contacts. As Emperor Akihito [word indistinct] put it, it is important to work for even better understanding and greater friendship. With this, a new chapter would be ushered in, bringing the peoples of both countries that much closer together. It is the beginning of more [words indistinct].

Opposition Seeks To Rejoin State BN Coalition

BK0110101991 Kuala Lumpur NEW STRAITS TIMES in English 30 Sep 91 p 1

[By Tan Chin Siang]

[Text] Kuching, Sun.—Parti Bansa Dayak Sarawak (PBDS), [Sarawak Dayak Party] is willing to rejoin the State Barisan National [National Front or BN] coalition Government without any condition and has officially written to Chief Minister Tan Sri Haji Abdul Taib Mahmud today informting him of its stand.

Party president Datuk Leo Moggie said the decision was made after much deliberation in an hour-long Central Working Committee meeting which was held at the party's headquarters in Tabuan Jaya this afternoon.

Among those present at the meeting were deputy president Datuk Daniel Tajem anak Miri, secretary general Datuk Edmund Langgu, and senior vice-president Dr. James Masing.

Datuk Moggie, who is also Works Minister, said the meeting only discussed the return of the party to the BN fold, adding that its decison was then formally hand delivered to Tan Sri Taib.

The State BN coalition comprises Parti Pesaka Bumiputea Bersatu (PBB] [Malay-based United Native Party], Sarawak National Party (SNAP) and Sarawak United People's Party (SUPP].

"Besides containing a congratulatory note on BN's victory, we (the party) also gave an assurance to Tan Sri Taib, as leader of the BN3 coaliton, that we will support him.

"If it serves any political purpose, we are also willing to rejoin the BN," said Datuk Moggie when contacted by the NST [NEW STRAITS TIEMS] at his hotel room here today.

Datuk Moggie said they were now leaving the matter to the discretion of Tan Sri Taib.

In an interview with TV3 today, Tan Sri Taib said he was willing to accept PBDS into the BN3 fold but PBDS must be sincere about it.

He also said that the party must abandon its racial politics.

To that, Datuk Moggie said: "As far as racial politics is concerned, if the matter did in fact emerge in the just concluded election, we will advise our followers and supporters to tone it down."

PBDS is a Barisan National Component Party at Federal level but an opposition in the State.

Comparising former SNAP members who left after a quarrel with the party leadership, the Dayak-based party was formed in 1983 an is headed by Datuk Moggie.

But in the infamous "Ming Court Affair" in 1987, PBDS quit the BN fold to join the opposition "Maju Grou" led by former Chief Minister Tun Hai Abdul Rahman Yakub. The group comprises PBDS and Persatuan Rakyat Malaysia Sarawak (Permas) [Malaysian Sarawak People's Association].

During the State election that year, PBDS contested 21 seats and won 15. However, eight of the Assemblymen left the party shortly after the election to join the various BN3 component parties.

In the State election "which ended yesterday, PBDS contested 34 seats but only managed to win seven.

Singapore

Complete Arms Embargo Imposed on Yugoslavia

BK0110142891 Singapore Singapore Broadcasting Corporation in English 1400 GMT 1 Oct 91

[Text] Singapore has (?imposed) a general and complete embargo on all deliveries of weapons and military equipment to Yugoslavia with immediate effect. This is in compliance with the UN Security Council resolution [words indistinct] on Yugoslavia. The Singapore Government hopes that [words indistinct] will contribute to ending the violence and bloodshed in Yugsolavia. A Foreign Ministry statement says the embargo will remain in force until the Security Council decides otherwise.

Foreign Minister Stresses Improved UN System

BK0110133891 Singapore THE STRAITS TIMES in English 1 Oct 91 p 10

[Text] The United Nations should improve its capability to anticipate and prevent conflicts and step up multilateral efforts to solve the world's major problems if it was to remain relevant in the 1990s and beyond, said Singapore's Foreign Minister Wong Kan Seng yesterday.

Speaking at the 46th UN General Assembly, he said that the UN needed a better monitoring apparatus so that conflicts could be contained and resolved peacefully before hostilities began.

He added that the position of the Secretary-General should strengthened. Instead of just being able to refer matters to the UN Security Council, he should be given the means to exercise authority, said the minister. The text of his speech was released in Singapore yesterday.

Mr Wong also called for a further exploration of the enforcement powers of the UN.

UN peace-keeping, he said, should be used to contain conflicts before they broke out into warfare rather than just to monitor ceasefires or supervise the end of interstate conflicts.

He said: "The world of the 1990s bears little resemblance to the world of 1945 when the UN was set up. Nation states, the basic units of the UN system, have less control over the external forces that are shaping the future.

"The UN system, for all its shortcomings, is the only available universal system. It has to rise up to the new challenges facing mankind if it is not to become irrelevent."

Arguing that there was now an even greater need for multi-lateral co-operation, he identified four areas in which the UN should focus its attention:

—Third World poverty: Describing the widening gulf between rich and poor countries as the most formidable problem facing the world, Mr Wong warned that the peace of rich nations would be threatened by the rise of a global underclass.

He urged the developed countries to heop the poorer ones by providing technical assistance and manpower training.

—Population control: A shortage of educated and trained manpower and a rapid population expansion often slowed down economic growth in developing countries.

Developed countries could help them by providing effective population planning, improved primary health care and, above all, by reinforcing and extending the world's multilateral trading system.

—Environment: The UN was best placed to co-ordinate efforts to tackle the urgent and complex issues of environmental degradation and the depletion of the ozone layer, which were common problems endangering all of mankind, he said.

—Drugs: Arguing that the drug trade could survive only if the forces of supply and demand were at work, he said that the problem had to be tackled multi-laterally, at the sources of production and in the countries which were the major markets for drug suppliers.

Turning to the Cambodian issue, he said that he was pleased that progress towards a comprehensive settlement had been made. He added that this had been possible because of the support of the international community since 1978 and the perseverance of the two co-chairmen of the Paris Conference on Cambodia, France and Indonesia.

He hoped that the UN could also help to resolve the long-standing conflicts between the states and peoples of the Middle East. Welcoming the efforts to convene a Middle East peace conference, he said:

"A durable and equitable peace settlement in the Middle East can only be built on a basis of compromise and reconciliation. We call on both sides to display flexibility and moderation for the sake of peace and the welfare of their peoples."

Cambodia

Hun Sen Discusses Aspects of Peace Agreement

BK0110125691 Hong Kong AFP in English 1244 GMT 1 Oct 91

[by Laurent Maillard]

[Text] PARIS, Oct 1 (AFP) - Phnom Penh's ruling People's Revolutionary Party of Kampuchea (PRPK) will go liberal at its congress starting on October 16 and adopt the principles of multi- party democracy and free market economy, Prime Minister Hun Sen here Tuesday.

"The current situation allows us to ... envision major progress for a new political and economic life in Cambodia," Hun Sen said in an interview with AFP [AGENCE FRANCE-PRESSE], adding that the general trend now dominating the PRPK was "towards social-democracy".

The congress will open one week before the signing here on October 23 of a peace agreement between the four warring Cambodian factions: Hun Sen's pro-Vietnamese government and the three components of a guerrilla coalition opposed to it—the Beijing- backed Khmer Rouge and the non-communist followers of former ruler Prince Norodom Sihanouk and ex-premier Son Sann.

The peace agreement, which will pave the way for U.N.-monitored free elections by the end of 1992 or in early 1993, is "the best possible solution," but fails to eliminate the threat of a Khmer Rouge bid to regain power by force, Hun Sen said.

The Khmer Rouge, the military muscle of the anti-Phnom Penh coalition, are held responsible for the deaths of hundreds of thousands of Cambodians while they ruled the country from 1975 to 1979, when Vietnam invaded Cambodia, ousted them from power and installed a client regime.

"The Cambodian people are worried by the dangers of a possible return to the past," Hun Sen said.

He acknowledged that the Paris peace treaty would be signed thanks to "a change of attitude on the part of Khmer Rouge negotiators," but said "there has been no change of attitude in the field," with the Beijing-backed group pursuing military operations.

The Paris treaty foresees a ceasefire and general disarmament, but Hun Sen said it would be "not easy to find all Khmer Rouge arms caches."

Even if the group's leaders decided to follow the treaty to the letter, he said, a "real threat" would remain of some factions refusing to put down their weapons and "resorting to armed banditry."

This, the premier said, is "the major threat" to a successful conclusion of the accord, and the only way to counter it would be for the United Nations to deploy "a large number of forces" during the transition period leading to the elections.

"But I fear," he added, "that the United Nations does not have a sufficient budget to efficiently carry out its mission" in Cambodia.

France—along with Indonesia is a co-host of the Paris Conference on Cambodia—"has a particular responsibility in guaranteeing the proper application of the peace agreement," Hun Sen said, and should be prepared "to play a mediating role" if things go wrong.

Hun Sen said that during his meetings later Tuesday with French Premier Edith Cresson and Foreign Minister Roland Dumas, he would seek economic, technical and scientific assistance and particularly ask France to help train Cambodian cadres.

An estimated 350,000 Cambodian refugees now living in camps in Thailand should return home "as quickly as possible" for the elections to be able to take place, he said, notwithstanding "the serious social and economic problems" their repatriation will create for the impoversihed country.

"Nothing is ready for their return," Hun Sen said. "No transit centers, no transportation, no roads, no housing."

Most of the refugees, he said, would not be able to return to their former homes.

"The entire population of Cambodia was displaced by the Khmer Rouge," he said. "Today, 99 percent of the urban population lives in houses that did not belong to them before 1975.

"It would be unthinkable to evict them all," he said, warning that opposition groups that promised the refugees they would go back to their old homes were simply threatening "chaos and a new civil war."

Hun Sen, who arrived in Paris Saturday, returns to Phnom Penh on Wednesday.

Signing Date for Peace Accord Moved Up

BK0110124291 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 1 Oct 91

[Text] In their capacity as cochairmen of the Paris International Conference on Cambodia [PICC], the Indonesian and French foreign ministers have agreed that the date for the signing of the agreement on the comprehensive settlement of the Cambodian issue be moved earlier to 23 October from 31 October. However, speaking in New York, Foreign Minister Ali Alatas said the agreement he reached with his French counterpart Roland Dumas was only a proposal to all PICC member countries.

For this reason, the two foreign ministers have sent a letter to all PICC member countries informing them that the signing ceremony will be held after a meeting of senior officials in Paris. A draft agreement, which consists of an earlier agreement with new clauses of agreement reached in recent months, is also attached to the letter. Alatas said the Cambodian factions, the five permanent members of the UN Security Council, and the two cochairmen of the PICC had informally agreed on the contents of the draft agreement.

Seminar Discusses Rehabilitation, Reconstruction

BK2909132091 Phnom Penh SPK in English 1105 GMT 29 Sep 91

[Text] Phnom Penh SPK September 29—The Penang seminar on Cambodia's rehabilitation and reconstruction programme has agreed that the programme should start as soon as possible without waiting for an overall political solution.

This was said by Mr. Cheam Yiep, general director of the General Department for Cambodia Tourism, who has been back from the seminar on Cambodia's rehabilitation and reconstruction programme in Penang, Malaysia.

The seminar was attended by 62 experts and individuals from Sweden, Norway, the United States, and Malaysia and a number of overseas Khmers living in those countries.

Mr. Cheam Yiep said that the seminar, sponsored by [as received] was aimed at facilitating understanding between the Cambodian people in the country and their compatriots living abroad and foreign experts, and helping promote the programme in Cambodia.

He said that the seminar agreed on a number of major points, including the conception that the rehabilitation and development of Cambodia should start as soon as possible without waiting for an overall political solution in response to the requirements of the Cambodian people.

The other suggestions, he said, were that there must be a balance between urban and rural development, measures to protect the environment in the exploitation of natural resources, and assessment of the aid needs of Cambodia.

He went on to emphasize the necessity to manage the market economy in accordance with the economic laws for its effectiveness, to evaluate the labor forces, especially the women's to promote tourism, and to preserve the sites of cultural and historical interest.

The seminar also focused on ways of encouraging the cooperation of overseas Khmers in rehabilitating and developing Cambodia and facilitating the repatriation of overseas Khmers, Mr. Cheam Yiep added.

Resistance Forces Deny Obstructing Aid Convoys

BK0210002791 Bangkok BANGKOK POST in English 2 Oct 91 p 6

[Text] The Khmer People's National Liberation Armed Forces (KPNLAF) yesterday assured the United Nations that it has never conducted any military activity to obstruct food and flood-relief convoys into Cambodia from Thailand.

A spokesman for the KPNLAF, Ok Serei Sopheak, denied previous press reports that its forces had attacked and disrupted flood relief convoys to Cambodia late last month.

Mr Ok Serei Sopheak said that another flood relief convoy is expected to leave Thailand for Cambodia and that the UN had asked the KPNLAF not to interfere.

The spokesman denied reports on September 26 quoting a Heng Samrin officer in the Nimit base inside Cambodia as saying that 320 KPNLAF troops had attacked the base about 16 kilometres from the Thai border.

The spokesman said his forces had been unfairly accused of misappropriating United Nations Work Food Programme supplies intended for flood victims.

He said that the area where the suplies were supposed to have been misappropriated was along Route 5 which is under the control of Heng Samrin troops.

Mr Ok Serei Sopheak said the KPNLAF troops are as far as five kilometres away.

The spokesman said that UN officals had asked the KPNLAF to give assurances that convoys leaving for the Cambodian interior today would not be disrupted.

The KPNLAF can not give such assurances since the area which the convoy will pass is not under KPNLAF control, he said.

Mr Ok Serei said the KPNLAF forces are ordered not to interfere with the convoy but will defend themselves if attacked.

The spokesman claimed that previous misappropriations of relief supplies were done by the Heng Samrin forces.

'Enemy Troops' Surrender in Banteay Meanchey

BK0210050491 Phnom Penh SPK in English 0413 GMT 2 Oct 91

[Text] Phnom Penh SPK October 2—The authorities of Banteay Meanchey Province, 360 km northwest of here, received 596 enemy troops who broke from their ranks in the third quarter of 1991.

According to the provincial commission for reception of misled people, the returnees included 82 Polpotists, 486 Sonsannians, and 28 Sihanoukists, who handed over 238 rifles, eight walkie-talkies, and a quantity of other war materials to the authorities.

In the first half of 1991, 523 enemy defectors armed with 251 firearms and five walkie-talkies reported themselves to the authorities.

Indonesia

Japanese Firm To Begin Nuclear Power Study

OW0210114591 Tokyo KYODO in English 1125 GMT 02 Oct 91

[Text] Jakarta, October 2 KYODO—The New Japan Engineering Consultant Corporation (New JEC) will soon begin feasibility studies of what will be Indonesia's first nuclear power plant, an Indonesian National Atomic Agency (Batan) official said Wednesday.

Batan Deputy Chairman Iyos R. Subekti told KYODO NEWS SERVICE the studies will include the biological, meteorological, social, economic, cultural, and environmental aspects of establishing a nuclear plant.

Katsuhiko Okazaki, spokesman for Japan's Export-Import Bank, which is considering whether to give a loan for the studies, said the bank has been checking New JEC's application since Batan and the Japanese firm signed a contract in August.

Okazaki said the Ex-Im Bank will also consult with Japan's Finance Ministry and Ministry of International Trade and Industry. The Ex-Im Bank is 100 percent owned by the Japanese Government.

Batan Director General Djali Ahimsah said in August the study will be done with a loan of 1.5 billion yen with 7.5 percent interest. He said the loan will be repaid directly to New JEC by the Indonesian Government.

Agus Pratama Sari, an environmentalist opposed to the project, said "the doubt is surely bigger" whether Indonesia, which lags behind in nuclear technology, could handle a nuclear mishap.

Ahimsah has said it is very unlikely the studies would recommend scrapping the idea, arguing current technology can cope with mishaps.

He said nuclear plants are meant to meet the demand for electricity in Java after the year 2000. Under the proposal, they are expected to generate 7,500 megawatts of electricity by the year 2015, about 25 percent of the island's consumption.

Twelve nuclear power plants are reportedly planned to be set up in the proposed area between 1993 and 2003.

Each unit will have the capacity to produce between 600 megawatts and 1,000 megawatts of electricity. The first unit is predicted to begin operating in 2004.

Commission Signs Trade Agreement With Vietnam

BK0110145091 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 1 Oct 91

[Text] A meeting of the Indonesia-Vietnam Joint Commission, which began in Jakarta yesterday, ended today with the signing of an agreement by Trade Minister Arifin Siregar and Vietnamese Minister of Commerce and Tourism Le Van Kiet. Speaking to reporters this evening, Trade Minister Arifin Siregar elaborated on the outcome of the meeting.

[Begin Siregar recording] The meeting held an exchange of views and discussed what the two sides had done in the economic field during the last few years. After that, two commissions, namely the commission in charge of trade and finance and the commission in charge of technical cooperation and investment, were established. No problems seem to have arisen because of the two sides' good-will. As is known, social and political ties between Vietnam and Indonesia have been excellent for many years. [end recording]

The trade minister also disclosed Vietnam's wish to boost trade and economic ties with Indonesia. Problems which still affect bilateral economic relations include banking, investment protection, and double taxation.

Troops Kill Alleged Rebel Leader in Aceh

BK0210090091 Hong Kong AFP in English 0209 GMT 2 Oct 91

[Text] Jakarta, Oct 2 (AFP)—Government troops have shot dead an alleged leader of a separatist movement in the western Indonesian province of Aceh, the ARMED FORCES DAILY (AB) said Wednesday.

Tengku Mahmud Hasan Ibrahim, 26, who is believed to be the deputy commander of a separatist movement (GPK) in Aceh, was shot dead during a raid in a forest area in Tanah Jambo Aye in the north of the province, AB said.

The paper, which quoted a regional military spokesman, did not say when the raid occurred.

It said another GPK member, identified as Libyan-trained Abubakar, 26, was also shot during the raid, but the daily did not say whether he was killed or wounded.

GPK is the official term for separatist movements in the country. In Aceh, it refers to the Aceh Merdeka (Free Aceh) movement, which has been campaigning for the establishment of an autonomous state since the mid-1970s.

Laos

Provincial Cooperation Note Signed With PRC

BK0210020491 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 1 Oct 91

[Text] In the years to come, Houa Phan Province and PRC's Yunnan Province plan to develop cooperation in the fields of agricultural and forestry production, livestock breeding, irrigation, hydroelectricity, communications, education, public health, mining, and other fields. The cooperation and assistance in these fields are stipulated in the memorandum signed with the Lao side by a delegation of the PRC's Yunnan Province led by Liu Ronghui, deputy secretary of the Yunnan provincial party committee, during the delegation's visit to Houa Phan Province from 17-20 September.

The two sides have agreed to implement the cooperation step by step. In the initial stage, Yunnan Province will send specialists to Houa Phan Province to conduct surveys and accumulate necessary information in these fields for use as a basis for practical implementation in the next stage.

Vientiane Reception Marks PRC's National Day

BK0210012291 Vientiane Vitthayou Hengsat Radiodd Network in Lao 1200 GMT 1 Oct 91

[Text] On the evening of 30 September, Huang Guocai, PRC ambassador to Laos, and his wife organized a reception at their residence in Vientiane to mark the occasion of the 42d anniversary of the PRC's national day, 1 October 1949-1 October 1991. The reception was attended by Khamphoui Keoboualapha, Choummali Sai- gnason, and Thongsing Thammavong, Political Bureau members of the Lao People's Revolutionary Party Central Committee, along with ministers, deputy ministers, and a large crowd of high-ranking Lao cadres. Foreign diplomats and representatives of various international organizations to Laos also attended the reception on this occasion.

Sekong Province Facing Rice Shortage

BK0110122891 Vientiane KPL in English 0924 GMT 1 Oct 91

[Text] Vientiane, October 1 (KPL)—Rice harvest in Sekong Province this year will reach 8,000 to 9,000 tons only because some 30 per cent of its transplanted rice crop were damaged by drought and pests, said the provincial service of agriculture and forestry.

This rice amount will be enough for consumption for only six months.

To help alleviate the situation, the province is trying to achieve a 1,532 ha plantation of taro, cassava and a 921,30 ha plantation of maize.

Philippines

Reportage on, Reaction to Withdrawal Agreement

HK0210092291 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 2 Oct 91

[By Sonny Casulla of DZRH Unit 9]

[Text] A meeting is currently being held here between the Malacanang Palace and some senators. The latest news we have is that Malacanang and the Senate have agreed to have a three-year withdrawal period. This is our latest update. Second, there will be no referendum anymore according to Senator Osmena, due to the agreement on the three-year withdrawal period. The only issue being discussed at the moment is whether or not there will be payment.

Spokesman Announces Agreement

HK0210124591 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 2 Oct 91

[Text] Press Undersecretary Horacio Paredes announced that the American bases have until 1994 to remain in the Philippines and it will not be given any further extension. This is also in relation to the agreement between Malacanang and 16 senators on the three-year bases pullout. Meanwhile the government will not consider any financial help by the Americans for the victims of Mount Pinatubo as compensation.

Senators Explain Bases Agreement

HK0210111491 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 2 Oct 91

[Italicized passages in English]

[Text] Malacanang and 15 senators today supported the implementation of a three-year withdrawal period for the military bases in the country. This will be contained in an executive agreement which will be released by President Aquino.

The position of the senators regarding the pullout period was agreed upon in a meeting at Malacanang chaired by President Aquino. In a report by Tanny Rodriguez, some of the anti senators who attended the meeting were Butz Aquino, Rene Saguisag, Orly Mercado, Victor Ziga, and Ernesto Maceda.

In relation to this latest development, President Aquino announced that there will no longer be a referendum on the issue of the bases treaty. She also said that there will be no more talk about the compensation.

Meanwhile, Senator John Osmena explained the repercussions of the step taken by most of the senators and Malacanang regarding the U.S. bases issues:

[Begin Osmena recording] *Salonga's hold on his 12 has been fractured and Salonga's leadership is now in question, because the president and... [changes thought] I think we should all give credit to the president. This is the president's victory. She appealed to us this morning for the sake of the workers in Olongapo and for the sake of the whole nation, which is being torn apart by these debates and, in view of the fact that Senate President Salonga was becoming unreasonable, if possible we should show some flexibility and reasonableness.* [end recording]

Pro-bases Senator Alberto Romulo also gave his reaction on the appropriate time frame for the stay of the American forces:

[Begin Romulo recording] This is really the most reasonable period where we do not have to stake the lives and future of our displaced workers. So *I am not hard and fast on any particular year* because I do not like to stake the lives of our workers and their children and families. So whatever will be told to us by our experts, by our colleagues, that that may bring about a viable, workable—[pauses] that's what we should accept. Which is why my range was three to five years. [end recording]

Study Says Only One Year Needed

HK2809043491 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 27 Sep 91

[Text] A study conducted by the Department of Transportation and Communication [DOTC] on the impending withdrawal of the U.S. forces from the country revealed that only one year is needed to convert Subic Naval Base into a major commericial zone. The study showed that the country may get from local and foreign investors the $203 million dollars being offered by the United States for their continued use of the U.S. bases in the Philippines. However, an initial investment of $1 billion will be needed for the conversion of Subic into a commericial complex.

It was also shown in the DOTC's conversion plan that a number of private investors have expressed their interest in providing the capital needed to convert Subic into a ship repair site and to be used for other commercial purposes.

Lina Considers Dropping Campaign

HK0210054791 Manila PHILIPPINE DAILY INQUIRER in English 2 Oct 91 pp 1, 12

[Text] Sen. Jose Lina said yesterday he would abandon his campaign for a national referendum on the base issue if the Senate agreed on a compromise formula that would consider the plight of base workers affected by a U.S. pullout.

"If (the senators) can come up with a formula that will address the problems of the base workers, we will reconsider," Lina told media during a breakfast forum at the Pavilion Hotel.

Lina has spearheaded a campaign to collect at least 3.5 million signatures from registered voters to overturn the Senate's rejection of a new base pact.

He said the signature campaign would start this weekend, with barangay signature centers making it easier for the Commission on Elections to double-check the identity and addresses of the signatories.

In the same forum, national security adviser Rafael Ileto warned that a delay in resolving the base issue could pose national security problems.

"The greatest threat to national security is national disunity," Ileto said, adding that if the base issue dragged on, the possibility of U.S. intervention in next year's elections could not be ruled out.

"The U.S. might (intervene). They have to protect their own interests. But in what form or how deeply they would be involved, we cannot say," Ileto said.

At least four anti-treaty senators have expressed fears that if the impasse on the base issue was not resolved before the May 1992 elections, the U.S. might try to influence election results so that they can re-negotiate the treaty with a U.S.-backed administration.

Pro-treaty Sen. Leticia Shahani told the same forum that U.S. interference was to be expected because the country's foreign policy was focused on the United States.

Shahani said the government should take the base issue as an opportunity to start reevaluating our foreign policy in the light of the U.S. decline as a superpower and the end of cold war.

"We should be more outward-looking and try to develop more global alliances," she said.

Sen. Heherson Alvarez, meanwhile, said Washington officials have given assurances of continued U.S. assistance even without the U.S. bases in the country.

Fresh from a five-day trip in the U.S. where he and colleagues Senators Edgardo Angara and Neptali Gonzales talked with key U.S. officials, Alvarez said

Washington was sympathetic to efforts to untie U.S. aid to U.S. military presence here.

Romero Asks Aquino To Convene Council of State

HK2809075091 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 27 Sep 91

[Text] Negros Oriental Congressman Miguel Romero asked President Aquino to convene the Council of State to halt the further division of the Filipino people. Aside from this, Congressman Romero also asked the president to convene the Multisectoral Assembly in order that it may formulate solutions which will unite the Filipinos. The congressman made these requests in light of the people's difference in opinion caused by the Senate's rejection of the new treaty. Romero believes if the debate over the proposed referendum is not resolved, it might cause the total division of the Philippine people. The Negros Oriental solon stressed that national unity is now greatly needed as a result of the calamities in Central Luzon.

'Black Propaganda Campaign' Targets Senators

HK2709145491 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 27 Sep 91

[Text] A black propaganda campaign has been launched against the 12 senators who voted against the bases treaty. Several of the senators received messages through their fax machines calling them the dirty dozen or the 12 apostles of Satan. The messages also warned that the antibases senators will not garner any votes in the coming elections. Similar manifestos were also distributed in the streets, offices, and media publications. According to Senator Juan Ponce Enrile, this may have been initiated by the government.

Meanwhile, Senator Orlando Mercado said that although the public may not buy this propaganda, this is an indication that the United States may meddle in the coming election.

Executive Secretary: Aquino Might Run Again

HK0210083391 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 2 Oct 91

[Text] President Aquino might run again in the 1992 presidential election. This was declared by Executive Secretary Franklin Drilon because of the uncompromising attitude of the antibases senators regarding the withdrawal of the American military bases.

Drilon said that President Aquino will be compelled to run again to facilitate the retention of the military bases. Drilon explained that the antibases senators should consider the conditions of thousands of families who will be deprived of work if the military bases are ejected right away. So as not to greatly affect the bases workers in Angeles and Olongapo cities, President Aquino is now considering running again in the 1992 presidential election.

Further on Drilon Comments

HK0210091891 Hong Kong AFP in English 0832 GMT 2 Oct 91

[Text] Manila, Oct 2 (AFP)—President Corazon Aquino's chief aide hinted here Wednesday that she may seek re-election next year due to conflict with 12 senators who want an immediate eviction of American troops from the Philippines.

"The events of the past two weeks may force the president to rethink her position insofar as the 1992 elections are concerned," Executive Secretary Franklin Drilon told reporters, referring to Aquino's stance that she would not seek a new six-year term.

Drilon, who claimed he was speaking his own mind, described the senators' demand that Aquino notify United States forces to leave Subic Naval Base within one year as "unreasonable."

The 12 senators, who comprise a majority in the 23-member Senate, scuttled a new 10-year bases treaty with the United States last month.

Drilon accused the 12 of "looking at 1992 elections when they made this decision,", saying, "Politics has come into the picture."

Aquino has provisionally extended the U.S. lease on Subic and Clark Air Base and is supporting moves to call a referendum on the issue to pressure the Senate to change its decision on the new treaty.

The president had hinted she may drop the referendum option after the anti-treaty senators said they were discussing a compromise with an extended period for the Americans to withdraw.

However, Drilon said Wednesday that "unless a reasonable compromise agreement is arrived (at) by all parties concerned, the referendum will push through."

Drilon said the one-year period was an "unrealistic and unreasonable proposal," which did not take into account the 80,000 Filipino base workers who would be displaced by the U.S. pullout or the hundreds of thousands in communities near the base affected by the ongoing eruption of the Mount Pinatubo volcano.

Critics have claimed that Aquino would violate the Constitution if she went ahead with the referendum, which grants the Senate the sole power to ratify or reject treaties. However they also said setting the withdrawal period is a job for the president, not the Senate.

The DAILY GLOBE, an independent newspaper, charged in an editorial Wednesday that Aquino has chosen to "muddle the issue," and urged the Supreme Court to "step in" to force Aquino to do her duty.

Meanwhile, two lawyers and two students have asked the Supreme Court to compel Aquino to evict all U.S. servicemen from the Philippines in compliance with the Constitution, which bans foreign troops from the country after 1991 unless under a treaty ratified by the Senate.

Lawyers Renato Cayetano and Ricardo Moldez and two university students asked the court to compel Justice Secretary Silvestre Bello to affirm the expiration of the military bases agreement, and the customs commissioner to collect import duties and other taxes on the U.S. servicemen.

The petitioners also wanted the internal revenue commissioner to implement the national internal revenue code to the fullest extent against the Americans, and to assess and collect taxes from the U.S. troops who derive income in the country.

They also sought a court order for Immigration Commissioner Andrea Domingo to implement Philippine laws on the U.S. troops, requiring them to secure a visa and to register them as aliens allowed to temporarily stay in the country.

Impact of Bases Wrangle on 1992 Election Viewed

HK0210062291 Manila PHILIPPINES NEWSDAY in English 2 Oct 91 p 10

["Turn of Events" column by Francisco S. Tatad: "A 1992 Scenario"]

[Text] The bases issue has so polarized the nation that every other issue now seems to pale into utter insignificance. It has shattered political party structures and calculations, forced a realignment of forces, made and unmade presidential aspirations. It may even have changed President Aquino's oft-repeated avowal not to run again in 1992.

The emerging informed opinion is that only those who have defined their positions on this issue with sufficient strength of conviction and clarity have acquired a legitimate right to seek the presidency at this time—whether that view is for or against the continued existence of the bases beyond 1991. If this were a card game, as one political pro puts it, they alone have a hand to play.

This is bad news for somebody like Chief Justice Marcelo Fernan, who is increasingly being whispered about as a possible dark horse of the administration, and other "presidentiables" who have not been heard from on this issue or who have failed to project a clear position on it, whether for or against.

They are the losers, while those who staked their political careers on it, again whether for or against, are the gainers. They are the ones whom the issue has pushed to prominence. The most notable examples are Senate President Jovito Salonga, whose waning political ambitions seem to have revived, and Senator Juan Ponce Enrile, who has experienced an unexpected rebirth.

Because of what Mrs. Aquino has done and tried to do in order to cater to the Americans, before and after the Senate rejected the proposed bases treaty, she might have completely abandoned her announced plan not to run again in 1992.

The view of responsible analysts is that the bases issue has given her a compelling reason to run again, without facing much opposition from her American patrons who are not too happy with her poor performance, but who are definitely less happy with Salonga and Enrile and anyone else pushing for U.S. military withdrawal in 1992. Information coming from some of her closest advisers tends to confirm this view.

There is logic in Mrs. Aquino finding it easy convincing herself that because of her unabashed pro-bases, pro-treaty, pro-American stand, the United States, which has never been kicked out of any part of the world by a middling non-power without first losing a war, will suffer once more to support her or at least not oppose anything she might do at the polls. Having gotten away with so many wilful violations of the Constitution, she has every reason to believe she could yet circumvent the constitutional ban on a second term.

After Cory Aquino, Mrs. Imelda Marcos is the other player who has every reason to expect American support against all other aspirants or candidates, including Mrs Aquino. Her announcement in the U.S. that she is finally coming home, possibly with her late husband's unburied remains, which Malacanang is trying desperately to ban, is the best indication that her homecoming is not only permitted but above all "sponsored" by powerful U.S. benefactors.

The possibility of Imelda's running, so long suspected but never sufficiently denied, fits into any U.S. plan of loading the bases with friendly players who may be counted upon to pursue the bases issue. This is bad news for all the Nacionalista Party aspirants, but especially for Vice President Salvador Laurel whose camp looks at Mrs. Marcos as a possible supporter, rather than competitor.

Both Danding Cojuangco Jr. and Enrile may have surprise fallback positions, but Laurel may not want to run as a widow's running mate a second time, or Imelda may not wish to have him as a running mate even if he should seek the honor. Imelda and Laurel share the same pro-bases position, but Imelda's position is clearly related to some concept of global and regional security, while Laurel's seems too narrowly linked to his desire to be supported by the U.S. in his drive for the Philippine presidency.

On both the side of the pros and that of the antis, the bases issue has created new heroes and heels, and constituencies larger than those of the political parties. Depending on where you stand on the issue, your new heroes are either Salonga, Enrile, Tanada and company or Cory Aquino, Stanley Schrager and Joey Lina. But where Lina and company are trying to define the pro-bases constituency via a signature-gathering campaign, the continuing debate on the bases continues to solidify and enlarge the anti-bases constituency.

One still hears an occasional claim from the pro-bases camp that majority of Filipinos support the retention of the U.S. facilities. This claim has never had any scientific basis; as of now, the truth may be the very opposite. This is largely because of the Senate debates which confirmed the doubtful and convinced the skeptics and the "don't knows." Given the uneven performance of the two sides, a referendum campaign is only likely to increase the size of the anti-bases constituency.

The issue has seeped so far down the various layers of society that it would be a mistake for the U.S. to assume that by supporting pro-bases, pro-treaty, pro-American candidates in the next election, it would recapture lost ground in the nation's politics. It would be a worse mistake for any Filipino politician to want and seek the highest office not on the basis of his understanding of the deep changes that have taken place and are taking place in Philippine society, but on the basis of promised support by the U.S.

Aquino Still To Block Return of Marcos Remains

HK0110031391 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 30 Sep 91

[Text] Malacanang has reiterated it will continue to implement the ban on the return of the remains of the late President Marcos to the country. President Aquino said the government will continue to implement the ban on the return to the country of late President Marcos' body. This was the president's reaction to the reported plan by former first lady Imelda Marcos to return home together with her husband's corpse on 4 October.

Executive Secretary Franklin Drilon said President Aquino has previously given an assurance that the body of the late Marcos can be brought home to the Philippines before her term expires. Mrs. Aquino assured that her administration will exhaust all legal measures to block the entry to the country of the body of the late President Marcos. She clarified that even if the United States turned down the Philippines request to extend the travel ban on Marcos' corpse, the government has a legal basis in blocking the return of the body to the country. The president also warned that the government will cancel the permit of any airplane which transports Marcos' body back to the Philippines. According to Mrs. Aquino, the ban issued by the Civil Aeronautics Board prohibiting any airplane to transport the corpse of the former president is sufficient.

Marcos Permit Extended; Plans To Return 19 Oct

HK0110031191 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 30 Sep 91

[Text] Former First Lady Imelda Marcos assured her return to the Philippines on 19 October along with the remains of her late husband, former President Marcos. The change in plans for Mrs. Marcos' return is a result of a 30-day extension given by the Aquino government on her travel permit which is supposed to expire 5 October.

In her speech during a memorial service commemorating the second anniversary of Marcos' death, Imelda stressed she does not believe the Aquino government will carry out its threat to confiscate and burn the remains of her husband upon return to the Philippines. Mrs. Marcos said the people will not let this threat, if there ever is one, be carried out. Imelda clarified she has no plan to smuggle in Marcos' remains, and that she will bring them home at the right time and in the right way.

Treaty, U.S. Marcos Remains Policy Not Linked

HK0210025691 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 1 Oct 91

[Text] Malacanang has denied that the United States' refusal to extend the ban on the return of the remains of the late President Marcos to the country was due to the Senate's rejection of the new base treaty. President Aquino stressed that the U.S. refusal to extend the ban on Marcos' remains has no connection with the Senate's rejection of the Philippine-U.S. treaty. The statement was Mrs. Aquino's reaction to speculations of some sectors that the rejection of the base treaty caused the weakening U.S. support for the Philippines in relation to the Marcos issue. At the same time, the president said Imelda's reaction to the government's continuing ban on the return of her husband's remains is of no importance. Malacanang reiterated that Imelda has been given a travel document and that she can return to the country any time to face the graft charges filed against her.

Ileto Says Marcos Return Poses No Threat

HK0210060891 Manila PHILIPPINES NEWSDAY in English 2 Oct 91 pp 1, 2

[By Arthur I. Bariuad and Dionisio Tubianosa]

[Excerpts] National Security Adviser Rafael Ileto yesterday said that the return of the Marcoses no longer "posed a major threat to national security," and that the government had "enough force" to counter whatever disturbances might be created by Marcos loyalists.

However, he said that the "political decision" to continue the ban on the return of the Marcos remains had been made by President Aquino who has said she would lift it before her term ends on June 30, 1992. [passage omitted]

Ileto who apepared at the Roundtable as Pavilion breakfast forum said that while the Marcoses' return could cause "disturbance to peace and order" they no longer "pose a major threat to national security."

Ileto said that while he viewed the Marcos threat as having diminished compared to two years ago, the "political decision" holding temporarily the return of Mrs. Marcos and the transport of the remains of former President Marcos has been made by President Aquino. [passage omitted]

Plan To Transform ASEAN Into Economic Bloc

HK0210053791 Manila PHILIPPINES NEWSDAY in English 2 Oct 91 p 10

[Editorial: "ASEAN as an economic bloc"]

[Text] Association of Southeast Asian Nations economic ministers are now seriously discussing what only a few years ago was unthinkable. ASEAN , which has simply been a political grouping since its founding, is now finalizing to transform itself into an economic bloc.

With the exception of Singapore, all the ASEAN member-countries—the Philippines, Brunei, Indonesia, Malaysia and Thailand—produce and export basically the same products to basically the same markets. Hence, since they are trading rivals, it would take a lot of doing to group them into an effective economic bloc.

However, with the world rapidly fragmenting into trade blocs, ASEAN economic ministers now see that they have to work out their differences and form themselves into an economic unit if the region and its individual member-countries are to survive in a global environment that is increasingly growing protectionist.

Southeast Asia, with its huge population base, is fast emerging as one of the world's biggest markets. It will thus continue to attract trade and investments. By forming itself into an economic bloc, the ASEAN can ensure that the flow of goods and capital that will come in will benefit the region not only in the short term but in the long haul as well.

As part of the ASEAN, the Philippines stands to benefit from the creation of such an economic bloc. But to make sure that it becomes one of the major beneficiaries of this development, the country must put its house in order.

For instance, while the Philippines continues to gain from the region-wide investment boom, statistics show that it is getting only a miniscule portion of the bonanza. For the period 1985-1989, the Philippines received investments worth $288 million. This represented a mere 2 percent of total Asian investments.

Data on Japanese investments in the region demonstrate even more clearly how far behind its neighbors the country has fallen. In 1977, the Philippines ranked fourth in terms of the amount of Japanese investments it received. It was ahead of Taiwan and Singapore. In ASEAN, the country was second only to Indonesia. But by 1989, the Philippines had become the least favored destination for Japanese capital. Even war-torn Vietnam proved more attractive.

Being a member of a prosperous member trading bloc is a good target to aspire for. But being a prosperous member of such a trading bloc is an even better goal.

Laurel Files Resolution on Government Debt

HK0110044991 Manila PHILIPPINES NEWSDAY in English 1 Oct 91 p 8

[By Jose H. Macaspac III]

[Text] Senate President Protempore Sotero Laurel yesterday said the administration's borrowing spree must be curbed adding that all treaties or agreements entered into by the government contracting or guaranteeing foreign loans should be concurred in by the Senate.

Laurel filed Senate Resolution No. 1237 expressing the Senate's concern over the government's continuous borrowings, which last year amounted to P4.38 [Philippine peso] billion.

Laurel said under Section 20 Article 7 of the Constitution, the President is empowered to contract or guarantee loans with prior concurrence of the Monetary Board the Central Bank's lightest policy-making body, and subject to such limitations might be governed by law.

He said loan agreements with international financial organizations like the World Bank are considered treaties or agreements.

These specialized agencies of the United Nations are empowered to enter into treaties with states and other international organizations.

As such, Laurel stressed, the government should get the concurrence of at least two-thirds of the Senate in entering into such agreements or treaties.

Loans incurred by the Philippines from the World Bank and the governments of Japan and the U.S. constitute the bulk of the country's foreign debt.

Foreign Banks 'Not Involved' in Power Scam

HK2809075191 Quezon City Radyo ng Bayan in Tagalog 0400 GMT 28 Sep 91

[Text] The Aquino government reiterated its stand that Citicorp and Asia Pacific Corporation were not involved in the anomalous transactions between the Marcos administration and Westinghouse involving the constuction of the Bataan Nuclear Power Plant. President Aquino stressed that the banks were not directly involved in the irregularities in the negotiations for the construction of the plant. The president said that it is becoming obvious that only Westinghouse and its agents were involved. Malacanang made this clarification in reaction to the accusation made by Senator Teofisto Guingona Jr. that the administration is trying to protect the two international creditor banks.

Group Opposes Four Ambassadorial Appointments

HK0210064691 Manila PHILIPPINES NEWSDAY in English 2 Oct 91 p 3

[By Arthur I. Bariuad and Dionisio Tubianosa]

[Text] Members of the career diplomatic service and the personnel association of the Department of Foreign Affairs (DFA) yesterday objected to the appointments of four "non-career officials" as ambassadors to key Philippine foreign service posts.

In a letter to Senate President Jovito Salonga, the DFA Personnel Association [DFAPA] and the Union of Foreign Service Officers (UNIFORS) opposed the appointment of Nicanor Jimenez to South Korea; former chief of staff Rodolfo Biazon to the Soviet Union, Edilberto de Jesus to the Netherlands, and Teodoro Katigbak, to Kenya.

Victoria Bataclan, president of the DFAPA, and Leonides Caday, president of the UNIFORS, also appealed to President Aquino to fill all vacant "ambassadorial posts" with the appointment of "career chiefs of mission whose expertise and permanent tenure could best serve the diplomatic representation for the country" beyond the term of the appointing power.

The letter noted that the appointment of the four, being "political appointments," "will not effectively serve the national interest"because their tenure will be coterminous" with that of the appointing power.

The DFAPA and the UNIFORS questioned the assumption of the four to the posts as chiefs of mission, which would "unnecessarily entail the use of scarce government resources not fully commensurate to the continuous effective service that the country needs."

"Nine months necessarily involve a period of settling in and by the time the proposed ambassador is fully settled at post, his term is already over," the letter noted.

Career officials of the DFA said there was already widespread dissatisfaction within the career diplomatic service because of what they called "rampant appointment" of non-career officials. This practice, they said, would erode the professionalism of the service.

The appointment of the four non-career ambassadors would widen the ratio of career officers to political appointees. At present, there are are least 19 non-career ambassadors. The country maintains 54 overseas missions.

However, when questioned about the letter, press Undersecretary Horacio Paredes said Malacanang had not yet received any demand or petition from the DFA personnel.

"Even if there is, under the New Foreign Service Law, which is meant to protect the career officials of the DFA, the President is given the authority to appoint about 50 percent of the ambassadors or chiefs of mission as political appointees," he said.

"I don't believe that the career service has been served so well by these persons who now want to protect their positions," Gomez explained.

He said "the career service should be there because they are able to act even without thought of displeasing the political power that be," but "most career persons use this to protect their position and use politics to advance themselves."

DFA officials also said that there are many career chiefs of missions without assignments who have been "frozen" at the home office.

400,000 May Lose Jobs With New Government Code

HK0210054591 Manila DIYARYO FILIPINO in Tagalog 2 Oct 91 p 1

[By Neneth Ramirez]

[Text] An estimated 400,000 government employees may lose their jobs with the implementation of the new Local Government Code [LGC] next year.

According to a Department of the Interior and Local Government [DILG] study on the new code, regional offices will have to reshuffle employees in order to transfer the management of seven primary government departments to local officials.

The reshuffling is feared to affect the following departments: the Departments of Agriculture; Natural Resources; Health; Public Works and Highways; Social Welfare and Development; Education, Culture, and Sports; and Transportation and Communication.

Aside from these departments, the Department of Tourism, the Department of Budget and Management, and the National Housing Authority will undergo reductions in their duties.

There is a great possibility that not all employees will be absorbed by the local officials when these agencies' management are transferred due to lack of funds.

It is also estimated that there are presently enough municipal employees to handle the tasks which will be assigned to the local government.

Under the LGC, all articles and properties of the department's central office will be transferred to the local offices.

President Aquino is scheduled to sign the new law on 10 October.

If the LGC is approved, the departments' regional offices will be reshuffled.

'High-Ranking' Rebel Soldiers Officials on Talks

HK3009042991 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 29 Sep 91

[Text] Two high-ranking officials of the Revolutionary Nationalist Alliance assailed some politicians and presidential hopefuls who are questioning their talks with House Speaker Ramon Mitra Jr. and Armed Forces Chief of Staff General Lisandro Abadia. In a statement, former Colonel Gregorio Gringo Honasan and former Commodore Domingo Calajate stressed that their decision to meet with Abadia and Mitra is based on their wish to see the sincerity, consistency, and credibility of those in the administration.

Although Honasan and Calajate did not identify the politician questioning the credibility of the ongoing talks, it is suspected that they are referring to former Defense Secretary Fidel Ramos. They said it is not logical to hear that a politician or presidential hopeful is questioning their right to talk to government officials, especially if this person is one of the reasons the military became divided. At the same time, Honasan and Calajate challenged the Aquino government to disclose what it can offer to the rebel soldiers who are wishing for a genuine and meaningful reconciliation that could provide long-term peace for the Filipinos.

Plans To Issue Ultimatum to Rebels Confirmed

HK3009041391 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 29 Sep 91

[Text] The Armed Forces of the Philippines [AFP] will resume operations against the rebel soldiers in the event the peace negotiations yield no result. This was confirmed by President Aquino, who gave assurances at the same time that the government will issue an ultimatum for the rebel officers to return to military control.

It should be recalled that Mrs. Aquino has hinted impatience on the slow progress of the negotiations with the group of former Colonel Gringo Honasan. The president, however, clarified that the setting of a deadline should be left to General Lisandro Abadia, the AFP chief of staff, because it is he who knows the details of the situation. According to the chief executive, if there is still no substance on the talks, the deadline for the return to military control of Honasan's group will be set.

Aquino Denies One-on-One Dialogue With Honasan

HK0110031291 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 30 Sep 91

[Text] Malacanang has denied a report stating that a one on one dialogue between President Aquino and former Colonel Gregorio Gringo Honasan will be held. In a statement, President Aquino stressed that this talk is not needed. This is Mrs. Aquino's reaction to a statement by General Lisandro Abadia, the Armed Forces of the Philippines chief of staff, saying that Mrs. Aquino may possibly talk to Honasan in the last leg of the government negotiation with rebel soldiers. Executive Secretary Franklin Drilon said President Aquino need not talk to the ultra-rightist groups in the last leg of the negotiations. However, the chief executive ordered General Abadia to continue the talks he started with Honasan's group to attain unity in the military ranks.

Rebel Soldiers Form Panel for Government Talks

HK0210031991 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 1 Oct 91

[Text] The rebel soldiers have formed a panel comprising their detained officers in preparation for the coming talks with the government. Former Commodore Domingo Calajate, president officer of the Nationalist Revolutionary Alliance, said that the secretariat they have formed is in preparation for the dialogue they expect with the government and the Armed Forces of the Philippines [AFP]. According to Calajate, the secretariat will support the Nationalist Revolutionary Alliance peace panel by giving the group technical, administrative and logistical support. The secretariat is headed by Navy Captain Proceso Maligalig, with Majors Cesar de la Pena and Nestor Palares and Captains Brandy Calimag and Danilo Lim as members.

Meanwhile, Lisandro Abadia, Armed Forces chief of staff, called on Honasan and Calajate's group to respond immediately to the government's efforts for reconciliation. Abadia said the rebel soldiers are too slow in responding to the government's call for an end to rebellion.

Meanwhile, President Aquino instructed House Speaker Ramon Mitra Jr. to coordinate with General Lisandro Abadia, AFP chief of staff, in relation to his efforts to bring back under government control the rebel soldiers headed by former Colonel Gregorio Gringo Honasan. The president issued the directive in reaction to Mitra's complaint that military intelligence agents have been following him since his talks with the Honasan group were disclosed. Mrs. Aquino said Mitra can talk directly to General Abadia on the peace dialogue with the rebel soldiers. The house speaker is worried that his efforts to persuade Honasan and other rightist leaders may collapse if intelligence groups continue to trail him.

In another development, National Security Director [as heard] Rafael Ileto expressed the belief that the rebel soldiers' efforts in negotiating with the government to end rebellion in the military's ranks are genuine and sincere. Ileto assured that all the dialogues taking place between the government and former Colonel Honasan's group are in the right direction. Ileto said the sincerity manifested by Honasan's group in the talks will bear good results and may pave the way to a peaceful surrender of the rebel soldiers. However, Ileto denied that the government plans to grant the Nationalist Revolutionary Alliance-Soldiers of the Filipino People-Young Officers Union general amnesty. The national security adviser said Honasan had never insisted that they be given general amnesty. The group's only wish is to let the government know of their grievances against the present administration. Ileto portrayed the rebel soldiers as nationalists, despite their attempts to overthrow the government, because their struggle is for the ordinary and poor people.

Communist 'Terror' Plan in Manila Uncovered

HK0110044091 Manila THE CHRONICLE in English 1 Oct 91 p 6

[Text] Military authorities yesterday claimed they have uncovered a plot by communist guerrillas to kidnap local officials and to murder soldiers and policemen in a terror campaign in the capital.

The alleged communist plot, co-dename "Tag-Ulan, [Rainy Season]" were contained in several documents seized from some New People's Army (NPA) guerrilla leaders who were recently captured in Metro Manila.

The documents, according to a senior Camp Aguinaldo official, also tend to confirm field intelligence reports on the increasing number of NPA rebels in the capital.

At least four Metro Manila mayors were reportedly on the list of the Alex Boncayao Brigade (ABB), the liquidation squad of the NPA rebels in the metropolis, the the Noel Lacaba Brigade, a Rizal town-based liquidation unit.

The document said several prominent political personalities, businessmen, military and police officials were also targetted for abduction and liquidation.

"This is apparently part of their terror campaign as well as a psychological warfare blitz to show that, they are still around and a force to reckon with," a senior intelligence officer said.

"We believe that this is part of their effort to boost the morale of their supporters because of the setbacks they had suffered, especially the strings of arrests we made over the last two months."

The same intelligence officer said they are now monitoring the movements and activities of the known rebel hitmen in the capital following reports that hitmen from the Visayas and the Bicol region have been sent to Manila to beef up their forces.

There were also reports that the rebels were getting up new safe-houses in Las Pinas and Paranaque in southern Metro Manila.

Police in Quezon Declare Local Cease-Fire

HK0110051291 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 30 Sep 91

[Text] Officials of the Quezon province and the Philippine National Police [PNP] declared a cease-fire which started last midnight and is scheduled to last until the end of this month. Quezon PNP Provincial Director Senior Superintendent Rex Piad said that the cease-fire is part of the "local peace process" which is being implemented by the government.

Piad gave Gregorio Rosal, alias Comrade Roger, and Leopoldo Mabilangan, alias Comrade Hector, one week to respond to the cease-fire that they have offered. This initiative was spearheaded by Quezon Governor Eduardo Rodriguez and local police officials who are headed by Piad.

Piad said that this step has the approval of PNP Director General Cesar Nazareno and Defense Secretary Renato De Villa to end confrontations between government forces and New People's Army rebels. The government believes that community-based localized cease-fires have greater chances for success than nationwide unilateral cease-fires being offered by the National Democratic Front.

Suspected NPA Members Kill 3 in Cadiz City

HK0110064091 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0442 GMT 1 Oct 91

[By Agnes Hundos in Bacolod City]

[Text] The Negros Occidental Peace Committee has not received a response from the Communist Party of the Philippines-New People's Army [NPA] on the proposed cease-fire in the province, and while waiting for the response from the rebels, three people including a son of a plantation worker were killed in an ambush on Saturday [28 September]. According to a report, the victims were ambushed by armed men suspected as NPA members while on board a tractor in Hacienda Tolentino Simahondos, barangay Dias Gustilo, Cadiz City. The victims were identified as Abelardo Lames, Miguel Limogan, and a certain Ryan. This was the third insurgency-related incident initiated by the rebels since the 10-day cease-fire was declared on 24 September 1991. Peace committee members will convene this week to discuss the mechanics of a surrender negotiation. The 10-day cease-fire in Negros Occidental will expire on Friday, 4 October.

De Villa Ordered To Release Human Rights Memo

HK0210100891 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 2 Oct 91

[Text] President Corazon Aquino ordered Defense Secretary Renato de Villa to release a memorandum to the military to inform its members to respect the rights of the people during its military operation against the communist rebels. This was revealed by De Villa when he was interviewed by the media at Malacanang Palace before the start of the Cabinet meeting this afternoon headed by President Corazon Aquino. De Villa clarified that respect for human rights is a standard procedure that is being followed by the military even though there were some intermittent violations reported. De Villa said the release of the memo was in response to the request by human rights advocates asking for assurances that human rights will not be violated. De Villa also said the memo to be released was only to remind soldiers participating in the military operation that they should follow the humanitarian law and respect for human rights.

Police Chief on Local-Level Talks With Rebels

HK0210102191 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 2 Oct 91

[Text] General Cesar Nazareno, Philippine National Police [PNP] chief, has formally ordered all PNP regional and provincial officials to initiate local peace talks with rebel leaders in their respective areas of responsiblity. The go signal which was given by Nazareno aims to end the 22-year armed confrontation between government forces and the New People's Army [NPA], the armed forces of the Communist Party of the Philippines [CPP].

Nazareno gave the green light to the regional and provincial directors during his visit to Camp Badelgado [placename as heard] in Iloilo City to preside over the ceremonial transfer of command of Regional Command 6, where Chief Superintendent Fredrick Romero replaced Chief Superintendent Pedro Sistusa as regional director of the Western Visayas region.

In a command briefing, Nazareno said he is giving the local commanders of the PNP permission to initiate dialogue with the leaders of the underground movement in their respective areas, for the rebels are already decentralized into various local units which are no longer receiving instructions from their national leaders.

Nazareno also added that the government has decided to conduct dialogues on the local level as the underground movement has already lost its central stucture and no one has yet claimed to be the legitimate representative of the CPP-NPA to the proposed national peace talks.

In related news, a one-month local cease-fire has been launched in Quezon by local executives, headed by Governor Eduardo Rodriguez, and the local officials of the police and military, headed by Senior Superintendent Rick Sampiad. However, Gregorio Rosal, alias Comrade Roger, and Leopoldo Mabilangan, alias Comrade Hector, both of the NPA Banahaw Command have not yet responded.

PNP's Reshuffled Leadership Positions Reported

HK0110133091 Quezon City Radyo ng Bayan in Tagalog 0800 GMT 1 Oct 91

[By Fernan Imberga with Jenny Francisco of DZRH Unit No. 22 from Camp Crame]

[Text] Various sensitive positions and commands were reshuffled again by the high leadership of the Philippine National Police [PNP], as part of the leadership rotation being implemented by PNP.

PNP spokesman Senior Superintendent Reynaldo Wycoco said the new assignments to various positions in the PNP leadership took effect today.

Under the reorganized structure, Chief Superintendent Frederic Romero, director for personnel, will replace Superintendent Pedro Cestusa as director of Regional Command Six in Western Visayas. Cestusa, in turn, will become chief of the PNP directorate for intelligence, replacing Director Gerardo Flores who will work full time as PNP chief for directorial staff. The former chief of the defunct Metropolitan Police Traffic Command, or chocolate boys, Chief Superintendent Levy Macasiano was assigned new director of the PNP directorate for personnel. Chief Superintendent Jose Aquino was assigned new director for administrative affairs which is equivalent to an adjutant general of the Armed Forces of the Philippines.

Yesterday, PNP Chief Director General Cesar Nazareno led the turnover ceremony at PNP Regional Command Four where Chief Superintendent Lomberto Rodriguez replaced former Regional Command Four Director Evaristo Carino who retired today.

Police Capital Command Expands Operation

HK0210070691 Quezon City MALAYA in English 2 Oct 91 p 7

[By Noel Bartolome]

[Excerpt] The PNP [Philippine National Police] Capital Regional Command [Capcom] will be expanded to take over security operations in several towns in Bulacan, Rizal, Cavite and Laguna to improve law enforcement in Metro Manila and its fast-growing suburbs.

Director General Cesar Nazareno, PNP chief, plans to divide the metropolitan police command into Capcom 1 or Capcom South Sector and Capcom 2 or Capcom North Sector, said Senior Superintendent Reynaldo Wycoco, PNP spokesman.

Capcom 1 covers areas, south of Pasig river, including Manila, Pasay, and Pateros. Capcom 2 will have jurisdiction over communities north of the Pasig river, including Quezon City, Kalookan, and the Rizal towns of San Mateo and Montalban. Towns from Bulacan, Laguna and Cavite which will be under the Capcom have not yet been identified.

Wycoco said Capcom Director Marino Filart will be assigned as Capcom 1 chief while Chief Superintendent Vicente Vinarao, current director of the PNP Criminal Investigation Service Command, is expected to head Capcom 2.

The move to split Capcom into two commands is intended to enable the metropolitan police command to effectively cope with the increasing demands for police security and the maintenance of peace and order in the area. [passage omitted]

Navy To Get 3 New Missile-Armed Patrol Boats

HK0110051191 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 30 Sep 91

[Text] The Philippine Navy signed a contract with a Spanish ship builder to buy three missile-armed patrol boats as part of its ten-year modernization program. Rear Admiral Mariano Dumangas Jr. said that he signed the contract with Antonio Sanchez Camara, chairman of E.N. Banzon, last Monday. The company is a member of the National Institute of Industry which handles all the industries in Spain.

The three patrol boats have a total cost of $158 million. Under the $ 99.8 million contract [amount as heard], E.N. Banzon will deliver the first Cormoran boat in January, 1994. While the other two will be made in the Philippines within the next three years.

Part of the funding for this endeavor would be from the $68 million loan which the country was able to get from Spain. The patrol boats will be armed with anti-ship explosive missiles made in France and a 766 millimeter gun which can shoot 90 rounds per minute. This will be the very first missile armed patrol boat of the Navy which is currently considered the weakest in Asia.

Navy's Initiative on Modernization Plan Lauded

HK0210083891 Manila THE CHRONICLE in English 2 Oct 91 p 2

[Editorial: "Creative Approach to Gaining Sovereignty"]

[Text] As the nation continues to be obsessed over the military bases issue, an initiative has come from the Philippine Navy to implement its modernization program outside the framework of dependence on the United States. The initiative takes the form of the signing on Monday of contracts with a Spanish shipyard, Bazan, to build three missile warships for the navy.

This contract takes the nation away from too much dependence on U.S. aid and credits for the weapons of the Armed Forces. It is a significant breakthrough from the bilateral syndrome with the U.S.—a relationship that has for nearly a century crippled Philippine foreign, economic and security policies. And the fact that this effort to diversify Philippine relationship with the rest of the world comes after the Senate rejection of the treaty on the bases indicates a creative approach to attaining real sovereignty after the bases. Indeed, the Armed Forces have shown that there is life, and vitality for the nation, in the post-bases era.

There are two aspects of the contract with Spain that command attention. The first is that it is innovative in the sense that the deal involves trade and transfer of technology. At least 30% to 40% of the costs (estimated at $100 million) of the three patrol boats could be paid in exports like coconut oil, sugar and other primary products. Two of the ships will be built in the country under a transfer of technology scheme. This has job creation potential.

The second aspect is that the Philippines is becoming more aware that it is important to revive our historical and cultural links with modern Spain in the process of diversifying our international relations to promote our national interests. Last month, Pedro Ballue, the president of one of the biggest food manufacturing industries in Spain, Campofrio, was in Manila to formalize a joint venture with San Miguel Corporation—to produce meat products in the Philippines. The joint venture is an expression by Spain of confidence in the long-term economic future of this country, while many investors are still holding up their plans until the economic and political situation clears up.

The spectacular economic growth of Spain after it joined the European Community in the Eighties has facilitated its reintegration into Europe. Moreover, the Spanish economic miracle is becoming an attractive model for developing countries to emulate, especially the Philippines, which shares with Spain many cultural, historical and social values. There is a tendency to look at the economic models of the Asian "little tigers" as the definitive formula for rapid economic growth, but, clearly, there is a need to expand our horizons and relink ourselves to our historical assocaition with Spain to make our economic relationships more creative.

Spain, which has an influential voice in the European Commission headquarters in Brussels, is disposed to act as an interlocutor for our interests in the European Community which is seeking to expand its economic relationships with Asean.

In view of these opportunities open for the Philippines to promote the diversification of economic partners, we find in the contract on the naval vessels not only a way to modernize the navy but also a sign of creativity in national policy.

Thailand

Military Leaders Mull Benefits of U.S. Presence

BK0210011591 Bangkok THE NATION in English 2 Oct 91 pp A1, A3

[Text] Thai military leaders believe that allowing the United States to use military facilities here in the wake of the imminent US pullout of the Philippines should not be hastily ruled out.

Even though the United States has not approached the Thai military on the possibility Thai military leaders have found the prospect worth consideration. However, they are aware of the political sensitivity of the issue.

New Supreme Commander Gen [General] Suchinda Khaprayun and Air Force Commander in Chief ACM [Air Chief Marshal] Kaset Rotchananin, for example, believe that the Philippines stands to lose more than it gains in rejecting the renewal of the contract for continued US military presence at the Subic naval facilities.

Sources close to Suchinda said that the supreme commander, who is concurrently army commander in chief, predicted that the Philippines would be threatened by a resurgence of communist activity, not to mention thousands of Filipinos employed at the military facilities who would be rendered jobless with the shut-down of the bases.

"The supreme commander personally believes that the country may stand to gain more than it would lose with a a US military presence. He has privately cited Japan and West Germany as examples of countries which could rapidly strengthen their economies because they have avoided heavy defence spending under US military protection," commented one source who is close to the top commander.

But Suchinda knows the political sensitivity of the issue and was indeed pessimistic about the prospects of a Thai-US agreement on the return of the US forces to Thailand.

The supreme commander also believes that 80 percent of the Philippine population favours a continued presence by US troops becaue it would serve the national interest, the sources said.

"Unfortunately the national interest has suffered just because of the outcry of politicians," one source quoted him as saying.

ACM Kaset reportedly shared his thinking.

In an interview with THE NATION yesterday, Kaset called for "careful consideration" if the United States came up with an offer.

He said any decision should be based on the terms and the conditions of a US proposal.

Ministry Extends Deadline for U.S. Airlines

BK0110063591 Bangkok THE NATION in English 1 Oct 91 p B 1

[Text] The Transport and Communications Ministry announced yesterday that it has extended the deadline for US airlines to continue flight services to Bangkok until March 1992.

Mahidon Chanthrangkun, the permanent-secretary, said the deadline, originally set at Nov 3, is extended to accommodate both Thai and the US governments, who are not ready to negotiate a new bilateral aviation agreement.

He did not elaborate the other reasons for the delay of the bilateral aviation negotiation, which was supposed to have taken place sometime this month in Washington DC.

The number of weekly-flights by US airlines to Thailand will remain unchanged at 37.

Mahidon said Northwest Airlines and Federal Express have asked permission form the Thai government to allow them to operate an additional cargo flight a week to Bangkok, but the request has been turned down pending an agreement on the bilateral aviation talks.

The Thai-US aviation agreement expired in November 1989 after both sides failed to reach an agreement on a new accord that Thailand said should provide equitable rights for Thai Airways International vis-a-vis the US airlines.

Since then Thai Airways International and the US airlines—United Airlines, Delta Airlines, Northwest Airlines and Federal Express—are operating in each other's home markets on a temporary basis, until the new agreement is struck.

Signs appeared to indicate that both governments have inched toward an accord on the bilateral aviation negotiation, since the time the Thai and US negotiators last met in Bangkok.

Thai-Vietnamese Summit Set for 28 Oct

BK0110031191 Bangkok THE NATION in English 1 Oct 91 p A 1

[Text] The first Thai-Vietnamese summit in more than a decade is scheduled for Oct 28-31, informed Thai and Vietnamese sources said yesterday.

Vietnamese Premier Vo Van Kiet will lead a high-powered delegation including Deputy Prime Minister Pham Van Khai and Foreign Minister Nguyen Manh Cam to discuss outstanding bilateral issues with Prime Minister Anan Panyarachun.

Kiet will also have an audience with HM [his majesty] the King during his four-day stay in Thailand, the sources said.

The last Thai-Vietnamese summit took place in September, 1978 when then Prime Minister Pham Van Dong visited Bangkok and pledged that Vietnam would co-exist peacefully with its neighbours. A few months later, Vietnam invaded Cambodia.

The sources said Kiet and Anan would sign an agreement on trade promotion and investment protection as well as a fishing cooperation pact during the summit.

The idea of holding a summit was first raised late last year when former foreign minister Nguyen Co Thach held talks with former prime minister Chatchai Chunhawan. After Vietnam's seventh Communist Party congress, Hanoi came out with a clear policy of seeking improved relations with countries in Southeast Asia.

Suchinda on Strayed Aircraft, Burmese Suppression

BK0110080791 Bangkok THAI RAT in Thai 1 Oct 91 p 3

[Text] Army Commander General Suchinda Khraprayun talked to reporters about the case of a Thai aircraft—an L-19 light reconnaissance plane, with Lieutenant Phitsanu Ratsami as its pilot—that strayed into Burmese territory and made an emergency landing in Pegu.

The Army chief said that he had just been informed of the incident and that at the present time Thai authorities were in contact with the Burmese ambassador to Thailand. There should be no problem in handling the matter, he said.

Suchinda said that his initial assumption was that the pilot may have lost his way and therefore had to request an emergency landing in Burma.

Asked if the plane was on any particular mission, the Thai army chief gave a negative reply, saying that Thailand did not have any mission in Burmese territory. He expected that Burma would return the plane to Thailand in the same manner as did Cambodia with a strayed Thai plane.

Asked about reports that Thailand has allowed a Burmese force to set up a camp in the northern province of Mae Hong Son to suppress Burmese ethnic groups, Suchinda said such reports were incorrect. He said that Thailand had always followed international laws. We have never allowed anyone to violate our sovereignty. We have never allowed such a Burmese force to enter Thai territory. Whoever encroaches on our territory, we must always vigorously push them out, Suchinda stressed.

In addition, Suchinda said that after taking the additional post of supreme commander of the Thai Armed Forces, he would visit some neighboring countries, because since becoming Army commander he had not paid visits to all the neighboring countries. However, he did not said which countries he planned to visit.

Burma To Release Errant Thai Army Plane

BK0210012991 Bangkok THE NATION in English 2 Oct 91 p A3

[Text] Burma has agreed to return to Thailand an army light aircraft and its pilot who made an emergency landing in a Burmese town on Saturday, a Foreign Ministry spokesman said yesterday.

The L-19 aircraft is being kept at an air base near Pegu, the town where the pilot, Capt Phitsanu Ratami, 30, landed after being driven off the course of his flight by a rainstorm, said the ministry's vice spokesman Rawi Hongpraphat.

The aircraft had run short of fuel and the pilot is waiting for army officials to fly petrol to refuel it on the Thai Airways International's regular flight to Rangoon, he said.

Citing a report from the Thai Embassy in Rangoon, Ravi said the pilot, the only one on the aircraft, was on the way from Mae Sariang district of Mae Hong Son province to Phitsanulok province on Saturday when his plane got caught in a rainstorm and its communicatons and navigation equipment broke down.

The pilot strayed about 100 miles into Burma and landed on a road north of Pegu at about 4 pm after the aircraft ran out of fuel, said the spokesman.

The pilot was well taken care of by Burmese officials who took him to a guest house. He was carrying only a .45-calibre pistol and no suspected spying equipment was found on him, said Rawi.

Army Commander in Chief Gen Suchinda Khaprayun said on Monday that the Thai military was negotiating with Rangoon for the return of the aircraft and the pilot and he expected no problem to arise from the incident.

Suchinda said the plane was not on any reconnaissance mission when it strayed into Burma.

A similar incident had occurred earlier this year when an L-19 aircraft from Thailand made an emergency landing in Cambodia. The damaged plane and the pilot were later returned to Thailand without any protest from Phnom Penh.

Action Urged on ASEAN Free Trade Area

BK0110021791 Bangkok BANGKOK POST in English 1 Oct 91 p 17

[Text] ASEAN must move fast one way or another—get the ASEAN free trade idea off the ground, or strengthen the existing cooperation schemes which have never been fully realised.

But one thing's for sure, the 24-year-old organisation must do something now otherwise the group would lose out in the rapidly-changing stage of global political and economic realities.

Those were among the views expressed by participants at the ASEAN Free Trade Area (AFTA) conference organised by the Economic Reporters' Club at the Dusit Thani Hotel yesterday.

The majority of participants, including Commerce Minister Amaret Sila-on, academic Dr Narongchai Akraseni and Fiscal Policy Office Director General Niphat Phukkanasut, shared the sense of urgency that given the failure or minimal success of intra-ASEAN cooperation in the past, the political leaders must exercise the political will to enable the AFTA to become operational within a specific timeframe, suggested at between 10 and 15 years from now.

Dr Narongchai and Mr Niphat were members of the Thai mission headed by Finance Minister Suthi Singsane despatched by Prime Minister Anan Panyarachun on a tour of ASEAN capitals to present the AFTA proposal initiated by the Thai leader.

However, leading banker-cum-economist Dr Suphachai Phanitchaphak contended that "there is no urgency for AFTA," and cautioned that instead of a "fashionable" solution like an AFTA, ASEAN should take stock of past resolutions that committed them to actions but were never really undertaken, and take things in stride from there instead of embarking on a new exercise.

Ambassador Albert Maes who heads the delegation of the European Community to Southeast Asia, noted that the sector-by-sector approach to free ASEAN trade as envisaged in the Thai proposal may entail "some dangers" in that firstly, it could create new distortions between the liberalised and the closed sectors.

Secondly, the rigidity of the sector-by-sector approach may result in the parties getting bogged down in the negotiation process in one sector after another, like what the EC had experienced.

Most importantly, the sector-by-sector approach may hamper an overall perspective which is crucial for a country to decide upon giving concessions in one area while it can benefit in another.

He also noted the danger of the reduction of tariff barriers being simply converted into non-tariff barriers in the process.

The economic pressure is strong for the ASEAN leaders to exercise their political will to launch the AFTA, whereby an ASEAN voice can be heeded, and its interests advanced competitively in the world forum, the Ambassador said.

Mr Shiro Mizutani, president of Japan's External Trade Relations Office, said the AFTA presented "a very realistic approach" to strengthen economic unity and liberalisation which will attract outside investment as well.

Given the significant involvement of Japanese investment in ASEAN, Japan would like to see ASEAN emerge as a single market of vast potential.

Minister Counsellor Murray Cobban of the Australian Embassy said "an AFTA might be seen as a contributor to the enhanced regional security, particularly when it is defined in its broader, non-military dimension."

And from an Australian perspective, he said many of the AFTA objectives appeared to be "common to those which we and others have advanced in the context of regional economic cooperation," including the Asia-Pacific Economic Cooperation (APEC) initiated by Australian Prime Minister Bob Hawke two years ago.

Meanwhile, Dr Narongchai gave a glimpse into the reactions of other ASEAN countries towards the AFTA proposal of Prime Minister Anan.

Brunei and Singapore gave strong support to the idea, whereas Indonesia gave conditional support for it wanted to see certain conditions met. Malaysia is preoccupied with the EAEG (East Asian Economic Grouping) it proposed at the collapse of the Uruguay Round trade talks in November last year.

Dr Narongchai emphasised that the two immediate goals for ASEAN were to decide to launch AFTA, and then to agree on a timeframe.

Mr Niphat said an AFTA was a practical idea.

Elaborating on how to achieve an AFTA, Mr Niphat said all ASEAN nations, except Brunei, were GATT members, and all would have to reduce their tariff and non-tariff barriers on the the Most Favoured Naitons basis once the Uruguay Round was successfully concluded.

As for Thailand, GATT figures showed the kingdom's tariff rates were higher than those of other ASEAN neighbours on average.

"It shows that in terms of sacrifice, Thailand has to pay more in entering into an AFTA... technically, we foresee no problems in implementing the AFTA once the chapters are agreed upon and the timeframe is set," he said.

He added that an ASEAN Tariff Council could be formed to select chapters, sectors and sub-sectors and to work on them. The council could comprise members of both policy level and senior bureaucrats.

Mr Niphat said that among the circle of finance ministers and directors-general, there already was "a common standing of where to go from here."

Touching on obstacles, Mr Niphat said countries which had protected their industries for so long "naturally possess the fear (that their industries are not strong enough to withstand outside competition) founded or unfounded, mainly due to political backlash from these industries which refuse to grow.

He said that what was needed at this stage was "neither technique nor thorough analysis to avoid making any real decision", but political will.

Prime Minister Anan had brought forward the need for ASEAN to get together, and provided the AFTA alternative, and if this alternative went unexplored, then "each will have to go our own way".

Steven Wong, Assistant Director General of Malaysia's Institute of Strategic and International Studies, said an AFTA was "almost compulsory to the Malaysian interests," to revitalise its manufacturing sectors as well as to accomplish its goal of industrialisation.

Dr Jisman Simanjuntak from Indonesia's Centre of Strategic and International Studies siad that although Indonesia had a number of reasons to support the AFTA, this issue "does not rank very high" on the nation's economic agenda as Jakarta has to deal with an array of other more urgent topics, particularly financial reforms and a solution to infrastructural bottle-necks.

Dr Simanjuntak suggested that for Indonesia, the timeframe to accomplish an AFTA could perhaps be the year 2007, taking into account several factors including the discrepancies in the stages of development of each ASEAN country.

Taking a different view from other participants, Dr Suphachai cautioned that an AFTA may divert the importance of multilateralism which ASEAN should champion.

Dr Suphachai, a former deputy finance minister under the Prem Tinsulanon administration,said that what ASEAN ought to do is not to push for a new vision but instead sort out old visions to find viable and workable ideas and expand on them.

"Before we move to the monumental taks of an AFTA, we should take stock of what we promised each other at the Manila summit," he said.

He urged ASEAN to "go back to practicality", and for Thailand, which he called "the slowest mover" in the liberalisaiton practice, to "look into ourselves before we can go out with this very pervasive undertaking.'

Minister Urges ASEAN To Pursue Trade Area

BK0110024591 Bangkok BANGKOK POST in English 1 Oct 91 p 28

[Text] Association of Southeast Asian Nations (ASEAN) leaders should seize the opportunity of the summit meeting next January to work towards establishing an ASEAN Free Trade Area (AFTA), according to Commerce Minister Amaret Sila-on.

Mr Amaret said yesterday ASEAN countries could fall behind the rest of the world if they did not take advantage of the opportunity.

In a speech to a conference about the AFTA, Mr Amaret said ASEAN countries had been slow to introduce intra-regional schemes because of "lack of political will".

It was difficult to organise cooperation among ASEAN countries because many countries were afraid their neighbours would benefit more than themselves.

"You may ascribe it to the 'competing' nature of ASEAN economies, but I think it all boils down to one word—envy," he said.

"In such a frame of mind, one tends to look at the concept of cooperation as a zero-sum game and naturally one cannot be expected to be cooperative in such a game."

But Mr Amaret believed the AFTA could become a reality because of external factors.

ASEAN leaders had come to recognise they could not afford to allow other regional groupings to boost their internal markets, increase their competitiveness and attract outside capital while ASEAN countries were left on the outside looking in.

A single European market would be introduced next year, while a free trade area was being formed by the United States, Canada and Mexico. In Central and South America, free trade agreements were being negotiated and concluded by almost all nations.

"In my mind, the top priority over the next few months before the summit is to ensure that there is a universal acceptance of the idea of a free trade area, or something close to it," he said.

"The technicalities and conditions can be worked out subsequently if we know the direction in which we are going.

But if we are still not clear on what we are trying to achieve, then we could spend the next 10 years negotiating conditions which could turn out to be the very road blocks to wherever we are going."

The AFTA would create a market of more than 320 million people with a per capita income of about US$1,100 a year.

Another benefit was the increased attractiveness to foreign investors.

Mr Amaret said the first product to be considered for free trading could be cement.

"Cement is an example of what could be done, provided that ASEAN leaders have the political will to make it work.

"From cement, we could expand to other construction materials."

Daily on Suchinda Appointment, IMF Conference

BK0110034991 Bangkok THE NATION in English 1 Oct 91 p A 10

[Editorial: "Protest Rallies Play a Part in Democracy"]

[Text] The handover of command by Supreme Commander Gen [General] Sunthon Khongsomphong to Army Commander Gen Suchinda Khraphrayun yesterday marked another milestone in the history of the Thai military establishment. Gen Sunthon's retirement represented the formal ending of domination by graduates of Chulachomklao Royal Military Academy's Class 1, led by ex-army chief Gen Chawalit Yongchaiyut. The only Class 1 member still in active service is Gen Wanchai Ruangtrakun, permanent secretary of the Defence Ministry.

At the same time Gen Suchinda's rise to the posts of supreme commander and army commander concurrently is the culmination of a changeover of military power from that of Class 1 to Class 5 led by Gen Suchinda. The changeover began when Gen Suchinda succeeded Chawalit as the army chief in March 1990. Apart from these two top military posts, Gen Suchinda is also deputy chairman of the National Peace-keeping Council [NPKC] and director of the Bangkok Peacekeeping Forces. It was in his capacity as the head of the Bangkok Peacekeeping Forces that Gen Suchinda imposed a temporary ban on public gatherings around Government House late last year to foil what he described as an "extremely wicked" scheme to provoke violence and bloodshed to discredit the military.

Yesterday Gen Suchinda cautioned all those planning protest rallies during the World Bank/IMF conference in mid-October to exercise self-restraint. He said he knew the "masterminds" behind alleged plans to discredit Thailand during the meeting and would go after them immediately should there be any untoward incident.

The alleged plot aside, there are actually several legimate issues that Thai activists may want to seize this opportunity to highlight. The controversial Pak Mun Dam project—whose funding is being considered by the World Bank—is an obvious issue; another is the heavy-handed slum relocation by the government to remove "eye-sores" around the Queen Sirikit National Convention Centre, the venue of the World Bank conference.

Other domestic issues that have nothing to do with the World Bank directly but may be played up for publicity include Phra Prachak's confrontation with the Second Army Region in Buri Ram, the alleged military harassment of social critic Sulak Siwarak, now wanted for lese majeste and defamation; the Bang Krachao public park; the mysterious disappearance since June 19 and presumed death of labour leader Thanong Po-an; and more internationalized issues such as the illicit wildlife trade; global warming; child abuse; prostitution and AIDS; the plight of Burmese asylum seekers and Indochinese refugees, etc.

During the conference week, non-governmental organizations [NGO] in Thailand will hold a "People's Forum" to discuss development problems and hear testimonies of victims of man-made disasters and wrong development strategies in several countries. The Students Federation of Thailand also plans a ceremony to commemorate the 18th anniversary of the Oct 14 Uprising.

Some politicians have often spoken against producing a new constitution to serve the political ambition of some NPKC leaders. Activist Praphansak Kamonphet has held an off-and-on protest fast near Parliament for two weeks to rally the public against the introduction of group candidacy in the new constitution.

In short a large number of activists, politicians and NGOs will make their moves to capitalize on the national and world attention on Bangkok during the World Bank meeting for all it is worth. Gen Suchinda and the NPKC must not mistake this as a ploy to discredit the country or attack the military council.

Hosting the World Bank meeting gives Thailand a golden opportunity to showcase itself in tourism, economic potential and national vitality. Gen Suchinda can contribute significantly to impressing the World Bank visitors about Thailand's political stability, civility and commitment to democracy by not banning public rallies, as long as they are not disruptive.

Most of those who will attend the World Bank meeting have seen many protest rallies elsewhere. But they will be surprised, if not suspicious, when they see no protest rallies in Bangkok.

The best impression Gen Suchinda can give is to see to it that human rights and political freedoms are fully respected and, more importantly, a new, democratic constitution is promulgated and general election held as soon as possible.

Ex-MP Criticizes Suchinda Remarks on Protests

BK0210003991 Bangkok BANGKOK POST in English 2 Oct 91 p 1

[Text] Army Chief Gen [General] Suchinda Khraprayun should not be warning people against causing trouble during the World Bank meeting since it was the Armed Forces own fault for having "raped" democracy by staging a coup, New Aspiration Party member Chaturon Chaisaeng said yesterday.

The former Chachoengsao MP said the Thai people had the right to do anything provided it benefitted rather than damaged the country.

"It's the NPKC (National Peace-keeping Council)'s own doing from the start for having raped democracy, seizing power, tearing up the constitution and destroying the sovereignty of the people," said Mr Chaturon.

The outspoken MP said Gen Suchinda was afraid of mishaps because he had done something wrong in the past.

Mr Chaturon said he did not understand the NPKC vice chairman's warning but, if it was aimed at political parties, then he should have dissolved them during the coup.

The role of political parties is to engage in politics within the boundaries of the law. If they are not allowed to do this, then they should have been dissolved.

Key New Aspiration figure Wira Musikaphong said he agreed with Gen Suchinda's warning against "power groups" causing chaos during the coming World Bank/IMF meeting.

But he said political parties had to take political action, which was not the same thing as stirring up trouble or causing chaos. Politicians also do not like or support the latter type of activities, he said.

He also said New Aspiration had continued playing politics over the last eight months without causing any chaos.

Mr Wira said his party had not been using monks systematically to recruit members in Surin Province, but admitted there may be some shortcomings at the operations level in the provinces.

Such an incident does not reflect the party's policy, he said.

He said the law only forbids monks from contesting an election and from voting. It does not forbid them from supporting a certain political party and well-known monks have been doing this openly, he said.

Mr Wira, when asked if he thought the Constitution Scrutiny Committee would do the right thing with the draft charter, replied: "Who can tell the heart of a bandit?"

He said he could only know the heart of men of honour as they would go by reason and principles. "But bandits have no reason and they have no truth. How can I tell waht they will do?" he asked.

Scrutiny committee chairman Osot Kosin has said they will complete their assessment of the draft by November, which means the panel is not bearing in mind the provisions of the interim charter, he said.

If they did, they would complete their work this month so the general election could be held this year as stated in the interim charter, he added.

New Aspiration candidate for Buri Ram, Khanin Bunsuwan, lashed out at Chat Thai deputy leader Anuwat Wathanaphongsiri for reportedly agreeing to work together with the military backed Samakkhi Tham Party in blocking his party from winning in the Northeast and Central regions.

Mr Khanin said Dr Anuwat's statement that he would sweep all nine seats in Buri Ram was an insult to the people of the province.

Air Force Chief Repeats Resignation Call

BK0210100491 Bangkok BANGKOK POST in English 2 Oct 91 pp 1, 3

[Text] Air Force Chief ACM [Air Chief Marshal] Kaset Rotchananin yesterday repeated his call for the Anan Pnyarachun Administration to resign if the National Legislative Assembly rejected the draft consitution.

The Air Force chief also criticised the Government for failing to perform its duty in solving national problems.

ACM Kaset, a vice-chairman of the National Peace-Keeping Council [NPKC], said the Government should resign "on behalf of the NPKC" as it was the council which had installed the interim government.

The Air Force chief, who has offered to become premier if invited after the next elections, said his view of the constitution issue was given within the context of the Government-NPKC relationship.

The NPKC cannot afford to resign until after the election, but the Government can do so in the lead up, he said.

ACM Kaset said all constitutions had a lot in common and the draft being scrutinised by the NLA today was similar to that of 1978.

ACM Kaset returned to another favourite by saying he preferred the party slate electoral system because it would "make politics stable and would effectivley control MPs. The party slate system would limit the number of political parties, he said.

If the individual voting system is applied, the MPs would not care for the political party system and would resign only if they missed out on favourable sets in the Cabinet after an election, he said.

He then said the proposal to set up a Constitution Committee was impractical because it would invest a new institute with too much authority.

Asked whether the prime minister or proposed Constitution Committee should appoint senators, he said the NPKC would appoint senators under a provisional clause of the interim constitution.

ACM Kaset also argued against the prime minister being elected, saying MPs only made trouble when they became Cabinet members and so would an elected premier.

"We must accept the Thai style of politics. Only MPs make it bad," he said, adding that a section of the draft constitution stipulating that two-thirds of Cabinet members should come from parliament would only make bad things worse.

ACM Kaset said permanent government officials should not be allowed to become political officials or Cabinet members.

"Those who want to get into politics should resign."

ACM Kaset said senators should be empowered to vote on no-confidence motions against a government otherwise a "parliamentary dictatorship" could develop among MPs.

There has been speculation ACM Kaset will resign from the Air Froce to become the new Chat Thai Party leader, but he said yesterday that he would not enter politics until he had retired from armed services.

"I'll have to look at the political course at that time and see if I have anything to lose. If so, I'd better work on something else," he said.

He said he would first resign from the Air Force before becoming premier if he was "so invited and could not refuse".

There have also been rumours that he might be appointed premier for an interim period of two years before Army commander-in-chief Gen Suchinda Khraprayun was appointed to the post for a similar period, to which he said he had always isisted that the premier should be a senior military officer in order to "make the country stable, or else there would always be coups".

He said there were two people best suited to become premier—Gen Suchinda and ex-Army chief Gen Chawalit Yongchaiyut.

He said he would withdraw himself as a potential candidate unless "the country asks for" him to take the premiership.

ACM Kaset said he was not closely involved in politics, but he thought Gen Chawalit's New Aspiration Party and its archrival, the military-backed Samakki Tham Party (STP), were taking different paths.

"Since Gen Chawalit is so determined to become premier, everything about him has come out in a slightly improper way," he said.

He said one possible scenario was the STP and NAP joining forces to form a coalition government after the next election.

"We wish to see stable politics. We know all about the STP members and I have told them there should be only three parties so that everything is fine. But they can't do that anymore. Everybody wants bargaining power," he said without elaborating.

The Air Force chief then said the Anan Government had done little during its eight months in office and sometimes had not been active enough.

But on a softer note, he said the public should sympathise because the Government has such a short lifespan.

ACM Kaset said the Government should have gone ahead with some projects which have been held up for too long. These include the sky-train and the National Fertiliser Corporation project.

"The Government didn't go ahead and everying has failed to make progress. Cases of affected farmers and poverty remain unsolved and the fertiliser plant hasn't been set up yet."

The Air Force chief said the Government should not forget about Thailand's economic rivals such as Burma and Vietnam.

He then said Thailand should invest in Burma, Laos, Cambodia and Vietnam similar to Japan.

He said finally the NPKC had advised the Government to put solving the problems of traffic congestion in the city, high interest rates and costly consumer goods at the top of its agenda.

Army Starts Publication of Internal Newspaper

BK0210011991 Bangkok THE NATION in English 2 Oct 91 p A3

[Text] The army has launched its eight-page tabloid-size internal publication party to be used as its mouthpiece to rebut criticism against the armed forces.

The first issue of the periodical which is published once every three days Khao Thahanbok (the Army News), was published on Sept 27.

A well-informed source said the army would spend about Baht 100,000 for publishing the periodical whose initial circulation is 4,000 and circulated within the army units for free.

The source said the army planned to increase the circulation and to distribute its publication free to other government agencies next month.

The source said the Army next week planned to use the same method of circulation as that of other newspapers—having motorcycle troops to deliver the periodical instead of by mail.

The source said the most outstanding column to be used as the army's mouthpiece in possible conflict with outsiders is MONG KHON LA MUM (Different Viewpoints).

The source said the column will usually comment on general issues both inside and outside the army but it would be made available to present commentaries as ordered by the army top brass in case the armed force was attacked by outsiders.

The source said the army initially planned to name the column as "Chokhonla Chuk" (Strike back) because it planned to use the column to "fiercely" retaliate against its critics.

But the army later planned to use the column to "explain the facts" about possible matters the Army was taken to task for at a given time.

Central Bank on Jan-Aug Monetary Situation

BK0110053291 Bangkok Radio Thailand Network in English 0000 GMT 1 Oct 91

[Text] Total export in the first eight months of this year increased substantially, according to the Bank of Thailand.

Director to the Governor's Office of the Bank of Thailand Phisit Li-atham said that between January to August this year, exports were 22.5 percent higher than the estimate.

He said exports excluding eight major export items have increased by 28 percent. As for imports, Mr. Phisit said that capital goods have high rate of growth of 22 percent due to private sector importing more machinery and components for industrial production. The oil imports, especially diesel and bunker oil, rose by 56 percent.

The director indicated that the balance of payments still showed a surplus of 85.9 billion baht. It is estimated that private sector's balance of payments will increase by 10 percent to Bt [bhat] 181.9 billion when compared to the figure of the same period last year. Also the surplus of private sector's fund will reach Bt18.6 billion compared to last year's deposit of Bt8 billion. Overall, the net transfer of capital fund showed a surplus of Bt200.5 billion.

Mr. Phisit added that trade surplus in service shrank to Bt53 billion from Bt55 billion last year.

The current account is expected to end up with Bt140.8 billion in rate [as heard] owing to the decline in tourism sector and decreasing income from the Middle East.

At the end of this August, Thailand's international reserve fund was in the amount of U.S.$17.4 billion, which is higher than that of last year.

Vietnam

Vessey Completes Visit; Communique Issued

BK0210141391 Hong Kong AFP in English 1348 GMT 2 Oct 91

[By Andrew Sherry]

[Text] Hanoi, Oct 2 (AFP)—U.S. presidential envoy John Vessey left Hanoi Wednesday after two days of talks on American servicemen missing in action (MIAs) and other obstacles to relations between the United States and Vietnam.

Vessey said after meeting Vietnamese Premier Vo Van Kiet and Foreign Minister Nguyen Manh Cam that Washington and Hanoi had agreed to speed up efforts to account for U.S. MIAs, but he gave few specifics.

The retired general also confirmed that U.S. President George Bush had signed an order last month extending for another year the economic embargo that has been in place against Vietnam since the late 1970s.

"It has to do with some of the remaining difference between our two countries," he explained. "We are moving quickly toward resolving those differences, and the president also has the authority to go very quickly to lift that embargo. It doesn't have to be extended for another year."

In a joint communique read by Vessey at the close of talks, the two sides said they "reaffirmed the desire of their governments for early normalization of relations between Vietnam and the United States."

Vessey, who is Bush's envoy for prisoner of war and missing in action (POW/MIA) affairs, declined to specify what was meant by "early."

He said he would recommend to Bush that the U.S. POW/MIA office, which has been operating out of a Hanoi hotel since it was established here in May, "be made a permanent office."

Vessey held four hours of talks with Cam on Tuesday—including one hour with only their interpreters present—and then met him again Wednesday.

Informed sources said Vessey had stressed forcefully to the Vietnamese that the MIA search efforts had to produce more results before Washington would normalize ties.

"Whether they got the message or not remains to be seen," said a U.S. source.

The joint communique gave few specifics on measures that would be taken to speed up the MIA search.

"The two sides reaffirmed their determination to move quickly towards the fullest possible accounting of Americans missing from the Vietnam war and the recovery and repatriation of remains found," it said.

In response to questions, Vessey said Vietnam had agreed to widen searches of historical records in an effort to account for missing servicemen.

The communique said the United States and Vietnam had also agreed to act quickly to investigate any photos purporting to show missing American soldiers, sailors and aviators.

The release of a series of such photos earlier this year revived claims that some missing Americans were being held prisoner in Indochina 16 years after the end of the war, though none of the photos has been authenticated.

Sources close to the talks said Hanoi had also agreed in principle to let U.S. Defense Department researchers use U.S. helicopters for their search missions here, on condition that they be piloted by Vietnamese.

The Pentagon lists 2,273 American servicemen as unaccounted for in Indochina, including more than 1,700 in Vietnam. The MIA issue is emerging as the main obstacle to the establishment of diplomatic ties between Hanoi and Washington, now that Washington's primary precondition to normalization—resolution of the Cambodian conflict—appears imminent.

Washington has also called for the release of all former Saigon officials from reeducation camps. That issue was addressed during the wide-ranging talks, sources said.

The joint communique said the U.S. side commended Vietnam's implementation of the Orderly Departure Program, under which Amerasians—Vietnamese fathered by Americans—and former reeducation camp inmates are being resettled in the United States.

Vietnam, meanwhile, said it welcomed the humanitarian aid provided by the United States through non-governmental organizations and hoped it would increase.

Vessey has made several trips to Vietnam since he was named Bush's special envoy for POW/MIA affairs in 1987. Vessey's 11-person delegation included U.S. State and Defense Department officials as well as Ann Griffiths, head of the League of Families of Missing Americans. They left Hanoi for Washington aboard a special U.S. Air Force jet.

NHAN DAN on Bush's Arms Reduction Proposal

BK0210070391 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 1 Oct 91

[Commentary from 1 October NHAN DAN by Le Ba Thuyen: "Mr. Bush's New Plan for Nuclear Arms Reduction"]

[Text] The new plan on reducing nuclear weapons announced by President Bush on 27 September has evoked great world interest. Many countries have welcomed this plan, considering this a significant move in reducing the huge world nuclear arms arsenal that can terminate all earthly lives 100 times over.

In a news briefing on 28 September, U.S. Defense Secretary Dick Cheney listed more than 10 points in President Bush's new plan which, however, can be summarized in four major issues. First, Mr. Bush proposed eliminating all nuclear warheads and short-range nuclear weapons including ground missiles and warheads installed in West Europe and Asia, and removing strategic nuclear arms including winged Cruise missiles installed on warships. These are field and strategic nuclear arms with ranges from 30 to less than 1,200 km. Most of them were deployed in Germany as well as in nearby countries of East Europe, the Soviet Union, and Northeast Asia and were aimed at supporting the interception strategy during the former period of confrontation.

Since the situation in the Soviet Union and East Europe has now changed profoundly, the interception strategy has become outdated and these types of weapons are no longer suitable.

Second, regarding strategic weapons, Mr. Bush advocated discontinuing the development of the deployment plan for long-range MX missiles carrying 10 nuclear warheads to shift to the development of long-range (? minuteman) missiles carrying only one nuclear warhead which are smaller yet more mobile than MX missiles.

As yet, implementing the plan for reducing three categories of nuclear weapons, the Pentagon still has about 50 MX missiles with 500 nuclear warheads. Each warhead has an explosive capacity of 600 kg, equivalent approximately to 60 Hiroshima bombs. As such, Washington is still maintaining its existing strategic arms arsenal and has started series production of (? minuteman) missiles to intensify and modernize its strategic arms arsenal.

Third, President Bush proposed canceling the permanent alert order for strategic bombers as well as for interncontinental ballistic missiles which are scheduled for destruction in accordance with the START treaty.

This is to cancel only the alert order and not the mass destruction weapons and other war materiel themselves.

Fourth, the Bush administration suggested negotiations with the Soviet Union to vigorously reduce the intercontinental ballistic missiles carrying several nuclear warheads—that is the one type that gives the Soviet Union some superiority over the United States. Although President Bush stated that the reduction of nuclear arms was unilateral, it was actually a conditional reduction. Mr. Bush clearly stated that the United States will closely watch for a Soviet response and demanded that the Soviet Union advance commensurate measures in response to US policies. Otherwise, the United States probably or certainly [as heard] will not make the above changes.

During a news briefing on 28 September, Defense Secretary Cheney said: President Bush's plan has two main goals that are to considerably reduce the world's nuclear arms arsenal, make the world safer, and create encouraging conditions for the Soviet Union to get rid of its burden of national defense expenses and to advance toward building democracy.

Researchers maintained that this plan of U.S.President is aimed at many different goals and conceals many secrets. First, as a Western radio observed, taking advantage of the moment when the Soviet Union and Eastern Europe countries collapsed, the United States has no more dangerous adversaries and the balance of forces in the world is changing significantly, Washington can start reducing a considerable amount of nuclear weapons some of which have become outdated while still being able to maintain its military superiority to support its strategy of nuclear deterrence as well as the strategy of national security which was recently adjusted and made public on 16 August 1991 to serve as a basis for the plan to establish a new Washington-controlled international order.

Second, at a time when the United States is facing acute economic and financial problems, the reduction of nuclear force—just as THE NEW YORK TIMES on 28 September 1991 observed—permits the United States to save billions of U.S. dollars in military expenditures which can be used to meet domestic needs.

Third, it can press the Soviet Union to take corresponding measures to accelerate the removal of all multi-warhead ICBM [intercontinental ballistic missile]—the domain in which the Soviet Union is well superior to the United States just as Western radios observed—to consolidate its military superiority.

Moreover, the race for the White House is just about to begin in the United States with general elections in the fall of 1992. THE NEW YORK TIMES remarked that this policy of Mr Bush will increase Mr. Bush's prestige over other candidates and that Mr. Bush's presidential election campaign will start early. And if progress could be achieved in new treaties, it would make very great contributions to the Republican Party in the electoral campaign.

Observers noted that even if Mr. Bush's new plan on nuclear arms reduction was implemented adequately, the United States would still have a huge depot of strategic weapons. In his speech on the evening of 27 September, Mr. Bush asserted that the U.S. will continue with the SDI [Strategic Defense Initiative] program. The 1992 budget for this plan is $4.6 billion while that for the B-2 stealth aircraft project is $3.2 billion in the coming fiscal year.

The Pentagon continues to maintain strategic weapons in submarines as well as modern nuclear forces including the three categories of strategic weapons. Taking into account the number of units of strategic weapons permitted by the START treaty, the United States already has up to 8,000 nuclear warheads, each with an explosive capacity 100 times the Hiroshima bomb.

This remaining volume of nuclear weapons of the United States far exceeds the total number of 64 Polaris missiles and 55 nuclear bombers of Great Britain as well as compared to the number of 92 missiles and 46 nuclear bombers of France. French President Mitterrand therefore said on 28 September that France would eliminate nuclear arms only when such arsenals of the superpowers were reduced to the equivalent level of the French arsenal.

The U.S. administration's new nuclear arms reduction plan is recognized as a positive intention. If this intention materializes, the international atmosphere will improve a step further. However, this should be demonstrated by facts. Even so, the danger of a war of extermination has not been completely eliminated. Broad segments of the peace-loving people in the world share the view that to make our planet safe and to ward off the danger of a global holocaust, there must be persistent efforts to completely eliminate all kinds of nuclear arms and other weapons of mass destruction.

U.S. Reported To Fund Rehabilitation Services

BK3009073491 Hanoi VNA in English 0604 GMT 30 Sep 91

[Text] Hanoi VNA Sept. 30—The United States would provide 1.3 million dollars to pay for artificial limbs and rehabilitation services for war victims in Vietnam, AFP [AGENCE FRANCE-PRESSE] reports.

The US Agency for International Development [AID] said last Friday that World Vision, a private organisation, would get a grant to expand its prosthetics services to 20 Vietnamese provinces, including Nghe Tinh (now Nghe An and Ha Tinh Provinces), Binh Dinh and Hau Giang. The programme is now concentrated near Da Nang.

AID also said the prosthetics research foundation of Seattle, Wash, would get a smaller grant for prosthetics activities in Hanoi.

"It is important to note that all Vietnamese citizens, including former South Vietnam soldiers, will receive help, through this programme," AID administrator Ronald Boskens said in a statement in Washington.

Hanoi High School Football Team Plays in U.S.

BK2809152291 Hanoi VNA in English 1418 GMT 28 Sep 91

[Text] Hanoi VNA Sept. 28—The Hanoi high-school football team, which left here on Sept. 18 for a game tour of the United States as guest of Rev. Philip J. Cascia, have played three friendly matches (two draws and one win) against American high-school elevens in Connecticut and Virginia. It will play three more matches.

The team was received on Sept. 23 by a number of American congressmen such as Senators John McCain, Joseph Lieberman and Representative Jay Kerrey. On Sept. 26 it was invited to President George Bush's reception of prince of Monaco.

PRC Ambassador on 'Rapid' Improvement of Ties

OW0210001091 Hanoi Voice of Vietnam in Mandarin 0830 GMT 1 Oct 91

[Text] On the morning of 30 September, workers, staff members, and cadres of the "8 March" Textile Mill in Hanoi held a meeting to celebrate the 42d anniversary of the People'e Republic of China [PRC]. Attending the meeting from the Vietnamese side were (Nguyen Chi Yong), vice minister of light industry and vice chairman of the Central Executive Committee of the Vietnamese-Sino Friendship Association; (Le Tun Song), member of the Hanoi party committee and vice chairman of the Hanoi People's Committee; and all leading cadres of the mill. Attending the meeting from the Chinese side were Chinese ambassador to Vietnam Zhang Dewei and his wife, cadres of the Chinese Embassy to Vietnam, and reporters of the Hanoi branch of XINHUA News Agency. Also attending the meeting were representatives and reporters from the Vietnamese-Sino Friendship Association under the Vietnamese Foreign Ministry and from various Vietnamese newspapers, news agencies, broadcasting stations, and television stations.

(Go Yi Quan), secretary of the "8 March" Textile Mill's party committee and deputy manager of the mill, addressed the meeting. He said:

[Begin Go Yi Quan recording in Vietnamese, fading into Mandarin translation] The founding of the PRC 42 years ago opened a new era in the history of China. It is an era of independence, freedom, and socialism. This is the brilliant achievement won by the Chinese Communists and people after waging a long and arduous revolutionary struggle filled with numerous sacrifices. [end recording]

After recalling the achievements in the economic field scored by the Chinese people in the past 42 years, Comrade (Go Yi Quan) said that he was pleased to witness these achievements. He also wished the Chinese people still greater success in their reforms and opening to the outside world.

In his speech in reply, Chinese ambassador Zhang Dewei summarized the great achievements in revolution and socialist construction won by the Chinese people. He stressed:

[Begin recording Zhang Dewei in Vietnamese, fading into Mandarin translation] China and Vietnam are close neighbors linked by mountains and rivers. The peoples of the two countries have a long relationship of traditional friendship. In the course of long revolutionary struggles and in socialist construction, the peoples of the two countries have supported one another, thus establishing profound friendship between them. After a period of difficulty, marked and rapid improvement in the relations between China and Vietnam has been made recently. We believe that through the efforts of the two sides, Sino-Vietnamese relations will be restored and developed, and will move onto the new stage of friendship and cooperation. [end recording]

Ambassador Zhang Dewei hoped that the long-term relationship of traditional friendship between the peoples of China and Vietnam will last forever.

After the meeting, Chinese Ambassador Zhang Dewei and his wife, as well as other guests of honor, visited various workshops of the mill, and had cordial conversations with the mill's workers and cadres. On the same day, the Vietnamese-Sino Friendship Association also gave a banquet in honor of the Chinese ambassador and his party.

Report on Cross-Border Trade in Quang Ninh

BK0110101591 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 30 Sep 91

[Report by station correspondents Trong Chuy and Huy Toan on Vietnamese-Chinese cross-border trade at Mong Cai Market in Quang Ninh Province]

[Summary] We recently had the chance to visit Quang Ninh Province's Hai Ninh district, the northermost Vietnamese district bordering China. In the past year, the road leading to this district has become busy, especially since the opening of the Mong Cai-Kalong border gate.

"We saw vehicles coming to and from this border gate with license plates of provinces as far as Minh Hai, Kien Giang, and Ho Chi Minh City, Quang Nam-Danang, Hanoi, and Haiphong, as well as Ha Tuyen Province. All the vehicles, which were mostly private, carried large bundles of goods on their trips to and from the border gate."

Goods brought from Vietnam include frozen maritime and forestry products, poultry, seeds, and so forth while those brought in from China include fresh garlic, ready-made dresses, textiles, construction materials, and agricultural tools. Besides these vehicles, there were also cars carrying tourists and private traders on business trips to China.

When we arrived in Quang Ninh Province, we saw the provincial people's committee busily preparing to visit

China to hold talks on trade cooperation and economic joint ventures with Guangxi Province.

"Earlier, Quang Ninh Province and the Chinese district of Khau Chau's trade delegation signed a six-point economic cooperation agreement. This included the rebuilding of the Bac Lan Bridge. Meanwhile, many Chinese businessmen are seen daily at the Quang Ninh Sea Vessel and Tourism Corporation hotels, looking for Vietnamese products. At present, the coal, export-import, communications, and postal sectors of Vietnam are planning to trade and do business with their Chinese counterparts in Guangxi Province."

The Mong Cai Market appeared the most busy, with 500 booths spread over more than 1,000 square meters selling goods. There are more than 300 Vietnamese and Chinese traders here doing business using Vietnamese and Chinese currencies. Goods on display include agricultural tools, traditional medicine, porcelain, leather products, and toys.

Thanks to this cross-border trade, the income of Hai Ninh District has increased annually, thereby contributing significantly to developing the national economy.

Since the opening of the Mong Cai-Kalong border gate, a large number of Chinese have come to Vietnam to visit their relatives and to trade with the Vietnamese. As a result, the Mong Cai Market has become a goods exchange center for Vietnamese and Chinese traders.

"Everyday, hundreds of Chinese cross the border to trade and do business with the Vietnamese. Many of them come to buy goods, while others arrived to study the Vietnamese market. Some Chinese business corporations have assigned officials to Mong Cai to work with Vietnamese corporations to establish joint ventures."

Thanks to the thriving trade, the Kalong Hotel and the Mong Cai Post and Telegraph Office have been expanded and equipped with new and modern facilities. Moreover, a series of new construction projects are underway in Mong Cai. Residents here are also engaged in different trades, but are chiefly involved in doing business with the Chinese with Mong Cai Market as their goods exchange center.

Chinese Industry, Equipment Delegation Visits

BK0210063091 Hanoi VNA in English 0546 GMT 2 Oct 91

[Text] Hanoi VNA October 2—A delegation of the Electronic Industry and Mechanical Equipment Department of Liao Zhou city paid a working visit to Vietnam.

The delegation had working sessions with the Union of Thang Long Bridge-Building Enterprises, the Dong Anh pressure equipment factory, and a number of establishments in Hanoi and Ho Chi Minh City. Host and guest discussed how to promote bilateral relations in the fields of commerce, services, tourism and joint venture.

A number of contracts were signed during the visit.

Relations With PRC in Stage Art Seminar Held

BK0110055491 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 29 Sep 91

[Summary from poor reception] "On 27-28 September in Hanoi, the Ministry of Culture, Information, and Sports held a scientific seminar on Sino-Vietnamese relations in the field of stage art.

"Participating in the seminar were many researchers on theatrical theory, stage artists of various generations, and playwrights at the central level and in Hanoi and some other localties." The Guandong art troupe from Ho Chi Minh City also brought along a number of plays for performance during the seminar.

"Also attending were members of the Chinese Embassy in Vietnam and representatives of XINHUA in Hanoi.

"Relationstions between Vietnam and China in the field of stage art are extremely good. Vietnam acquires the essences of stage art from the world as well as from China."

USSR Confers Award on Outgoing Ambassador

BK2709152391 Hanoi VNA in English 1450 GMT 27 Sep 91

[Text] Hanoi VNA Sept. 27—The Soviet Government has conferred the "Friendship Among Peoples" order on Vietnamese Ambassador Nguyen Manh Cam at the end of his term of office in the Soviet Union.

The conferment was made in acknowledgement of his contributions to the friendship and cooperation between the two countries.

Soviet Ambassador R.L. Khamidulin handed over here this evening the order to Nguyen Manh Cam.

Cambodian Control Commission Delegation Visits

BK0110152591 Hanoi VNA in English 1456 GMT 1 Oct 91

[Text] Hanoi VNA Oct. 1—A delegation of the People's Revolutionary Party of Kampuchea Central Committee's Control Commission led by Ney Pena, Politburo member and vice president of the commission, paid a working visit to Vietnam from Sept. 23-30.

During its stay here, the Cambodian delegation was received by Le Duc Anh, Politburo member of the Communist Party of Vietnam Central Committee.

It has working session with a delegation of the Control Commission of the CPV Central Committee [CC] led by Do Quang Thang, secretary of the party CC and head of the commission. The guests also made working tours of the northern province of Lang Son and the port city of Haiphong.

Do Muoi Receives DPRK Ambassador 27 Sep

BK2809152991 Hanoi VNA in English 1425 GMT 28 Sep 91

[Text] Hanoi VNA Sept 28—Do Muoi, general secretary of the Communist Party of Vietnam, on Friday received Yi Hong, ambassador of the Democratic People's Republic of Korea to Vietnam.

Ambassador Yi Hong informed General Secretary Do Muoi of the situation in the Korean peninsula and the initiatives of the Workers' Party of Korea and the DPRK Government aimed at a peaceful reunification of the country.

For his part, General Secretary Do Muoi affirmed the Vietnamese party, Government and people's support, now as before, for the Korean people's cause of national construction and reunification, and expressed his wishes for further development of the relations between the two parties, state and peoples.

Trinh Ngoc Thai, deputy head of the External Relations Commission of the party Central Committee, was present at the reception.

Economic Cooperation With South Korea Reported

BK3009135491 Hanoi Voice of Vietnam in English 1000 GMT 30 Sep 91

[Text] Six among the seven biggest corperations of South Korea have got permits to open their representative offices in Vietnam. Besides giants such as Samsung, Hyundai, Lucky, Gold Star, Daewoo and (Niu Sung), 17 medium and small companies are already trading in Vietnam.

In an interview to the WEEKLY SAIGON ECONOMY, Mr. (Niew Kiu Chun), director of the Gold Star Trade Promotion Group of South Korea in Ho Chi Minh City said: In 1990, South Korea exported to Vietnam 110 million U.S. dollars worth of electronics, household utensils, machines, and equipment. It imported 15 million U.S. dollars worth of farm, forest, and sea products and mineral oil.

The figures on trade may tend to be higher this year, he said. Most South Korean companies changed to invest in Vietnamese sub-contracting enterprises, especially in garment making.

So far, eight Vietnam-South Korea joint projects have been licensed. Mr. Niew further said that many big companies of South Korea have completed their pre-feasibility studies in many fields and on various scales so as not to miss the opportunity.

He said that South Korea is really worried since Japan, its biggest rival in the region, is moving much faster in the field of investment in Vietnam. He also said that South Korean companies are considering the building of factories in Vietnam so as to take advantage of the local raw materials and labor.

The Samsung Company, for instance, is considering the setting up of a factory to produce television sets and electronic parts.

According to Mr. Niew, as soon as the U.S. lift the embargo, South Korea will start exploring for oil and natural gas and exploiting Vietnam's farm, forestry, and marine sources.

It is also interested in making automobile, cement, fertilizer, and office equipment, and building hotels and other infrastructure.

VNA Chief Elected to OANA Executive Council

BK0210135491 Hanoi Voice of Vietnam in English 1000 GMT 30 Sep 91

[Text] Do Phuong, general director of Vietnam News Agency, has been elected to the Executive Council of the Organization of ASIAN-PACIFIC NEWS AGENCIES (OANA). The council includes nine members with (Ikunai), president of KYODO NEWS SERVICE, as its president. OANA held its eighth general assembly session in Japan from 24-29 September.

Under VIETNAM NEWS AGENCY's sponsorship, the general assembly accepted the participation of the Cambodia's News Agency SPK in the OANA in the capacity as observer. The executive council is expected to admit SPK as an official member of OANA in the near future.

On this occasion, Do Muoi met many OANA members to discuss the broadening of information exchange and the establishment of VNA satellite information links with other countries in this region. The VIETNAM NEWS AGENCY delegation held a separate meeting with the KYODO leading board aimed at developing the cooperation between the two agencies, particularly at upgrading VNA communication technology.

Envoy to Indonesia Receives Award From Suharto

BK0110022391 Hanoi VNA in English 1530 GMT 1 Oct 91

[Text] Hanoi VNA October 1—Vietnamese Ambassador to Indonesia Tran Huy Chuong was awarded the 'Jasa Utama' order by Indonesian President Suharto for his contributions to the friendship and cooperation between the two countries.

Tran Huy Chuong has recently finished his term of office in Indonesia.

Indonesian Ambassador to Vietnam Aswismarmo today handed over the order to the Vietnamese diplomat.

India, Hanoi Cooperate on Rare Earth Production

BK0110074791 Hanoi VNA in English 0619 GMT 1 Oct 91

[Text] Hanoi VNA Oct.1—A pilot plant for processing monazite sand to produce rare earth compound and tri-sodium phosphate, costing approximately US dollars 125,000 has been supplied to Vietnam by the Government of India.

The pilot plant, as part of the cooperation agreement on utilisation of atomic energy for peaceful purposes between India and Vietnam, is erected by Indian experts near Hanoi. It can treat about 50 tonnes of monazite sand per year.

The main products—rare earth chloride and other diversified individual rare elements—can be applied in much metal industry, glass polishing, as catalytic agents and other high-tech industrial applications. The by-product-tri-sodium phosphate—shall have applications in boiler water treatment, detergent industry, etc.

The Vietnam institute for radioactive and rare elements (VINATOM) has actively cooperated with the experts of Indian Rare Earths Ltd in building and commissioning this pilot plant.

France's Codev Aids in Hue City Restoration

BK0110153791 Hanoi VNA in English 1438 GMT 1 Oct 91

[Text] Hanoi VNA Oct. 1—Codev, a non-governmental social organisation of France's National Electric Industry, has in recent years granted multiform assistance to Hue, the former imperial city of Vietnam.

According to J. Fouilloux, Codev representative, Codev Club was set up in the mid-80's, located in a small but charming French-style house in Ly Thuong Kiet Street of Hue City. One year later, a 15-member delegation of Codev arrived in Hue to work out a programme of cooperation and assistance in the cultural, educational, economic fields and also in the tourist industry.

At present, each of the nearly 100 French families members of Codev is sponsoring a Vietnamese student learning French at the Hue Teachers' College, at the rate or 270 FF [French Francs] a year per person.

Codev is undertaking many projects in Hue, notably the improvement of the lighting system of Le Loi Boulevard and the training of maintenance workers.

Codev is also joining in the construction of a hydro-electric power station to increase electricity supply to the city and to prevent the infiltration of salted water. It is building a maternity home and a creche for Phu Binh precinct. Construction is near completion.

Codev, with a 100,000 staff in 700 establishments throughout France, has also engaged in the tourist industry in Vietnam. In 1990 alone, it organised three trips to Vietnam each lasting 10 days for 100 French visitors. All the profits were spent in assistance and cooperation activities in Hue.

Codev is cooperating with the Hue University to create a new faculty, the Economic Management Faculty, at the university. Each course will last three years. It plans to send third-year students of this department to France for further study at a French university.

The organisation also plans to organise Franco-Vietnamese art festival days in April 1992 in Hue which will feature art performances, arts and crafts exhibitions, seminars and other activities.

J. Fouilloux who is now in Hanoi to carry on the projects already agreed upon said Codev's club house in Ly Thuong Kiet Street may be regarded as a Franco-Vietnamese friendship and cultural centre.

UNDP Communications Study Projects Signed

BK2709152991 Hanoi VNA in English 1429 GMT 27 Sep 91

[Text] Hanoi VNA Sept. 27—Agreements inaugurating two projects: "National Telecommunications Sector Review" (VIE/89/006) and "Postal Sector Review" (VIE/89/018) were signed in Hanoi on Wednesday by Dang Van Than, director general of the Vietnam Corporation of Post and Telecommunications, and David Smith, resident representative of UNDP [United Nations Development Program] Hanoi.

The projects will be funded by UNDP and will be executed by the international telecommunication union.

UNDP will contribute U.S. dollar 580,000, and Vietnam, VN dong 323.6 million to the project "Telecommunications Sector Review".

The project will study the telecommunications sector in Vietnam and prepare a comprehesive national telecommunications network development plan. This plan will be a tool to develop and administer the sector continuously. It will also identify the inputs which are necessary to build up strategies to meet the needs of Vietnam as far as the infrastructural support is concerned, which, the telecommunications sector can give to social and economic development up to the year 2000 and beyond.

These two projects are the fourth and fifth funded by UNDP within Vietnam's post and telecommunications sector.

Generals at Army General Staff Party Congress

BK3009032291 Hanoi Voice of Vietnam Network in Vietnamese 1000 GMT 27 Sep 91

[From the daily press review program]

[Text] The paper QUAN DOI NHAN DAN today reports that the Vietnam People's Army [VPA] General Staff held its secound-round party organization congress on 24-27 September. Attending the congress were General Le Duc Anh, member of the Communist Party of Vietnam [CPV] Central Committee Political Bureau, secretary of the party Central Committee, and first deputy secretary of the Military Commission of the party Central Committee; General Doan Khue, member of the CPV Central Committee Political Bureau and deputy secretary of the Military Commission of the party Central Committee.

Meanwhile, the 7th Military Region on 26 September held its second-round party organization congress. Comrade Vo Tran Chi, member of the CPV Central Committee Political Bureau attended.

In his address to the VPA General Staff party organization congress, General Le Duc Anh stressed the necessity to enhance the capability of the contingent of cadres of the general staff and logistics department of the National Defense Ministry. He said that all cadres should strive to consistently study and firmly grasp Marxism-Leninism and Ho Chi Minh's thought, uphold the lessons on the traditional revolutionary struggle of our people and party, conduct research to draw on new lessons on military and national defense tasks, thereby, together with the party and people throughout the country, firmly advancing along the path chosen by our party and Uncle Ho.

Nguyen Nam Khanh at Air Force Party Congress

BK2809093791 Hanoi Voice of Vietnam Network in Vietnamese 1000 GMT 25 Sep 91

[From "Press Review" Program]

[Text] The newspaper NHAN DAN reported that the Air Force party committee has just held its second round party congress. Senior Lieutenant General Nguyen Nam Khanh, member of the Party Central Committee and deputy director of the Army Political General Department, addressed the congress.

Congress delegates delivered speeches analyzing the difficulties and complexities facing the Air Force, its duties until the end of 1993 and from 1991-1995. They also suggested many practical measures for building a strong party committee to guarantee the Air Force's firm political leadership.

The party and people consider the Air Force a loyal and reliable fighting force which is determined to protect the party and the Vietnam socialist fatherland.

The delegates also touched on ways to educate the soldiers in order to strengthen their belief in the party's renovation cause; enhance their sense of vigilance to oppose erroneous, opportunistic, and reactionary concepts; and to help them fully understand and creatively implement the party resolutions in the air force's building work.

Vu Oanh, Nguyen Khanh at Congress in Bac Thai

BK2909091191 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 26 Sep 91

[Text] On the morning of 26 September, Bac Thai Province began its sixth second-round party congress in Thai Nguyen Town. Attending were the province's 300 officials and 51 alternate delegates. Comrade Vu Oanh, member of the Party Political Bureau and Nguyen Khanh, member of the Party Central Committee and vice chairman of the Council of Ministers, also attended.

On behalf of the Provincial Party Executive Committee, Comrade Nguyen Ngo Hai, member of the Party Central Committee and secretary of the province's Party Committee, presented the political report to the congress.

The report evaluated last year's achievements and identified the remaining weaknesses of the local socioeconomy.

It also affirmed the absolute belief of the ethnic minority in Bac Thai in the party leadership and their unity in building socialism in the homeland of the Viet Bac revolutionary base.

The report defines the major economic targets and outlines measures to achieve them by fully exploiting existing resources; developing the commodity economy; and improving people's lives, especially the ethnic minorities and those in mountainous areas.

The congress has decided to gradually improve the transport system, education, medical care, and spiritual life of the local people. It also aimed to strengthen party building work and correctly deal with corruption so that every primary party committee can become a main force in leading the local people.

Dao Duy Tung Visits Bim Son Cement Factory

BK0210094391 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 28 Sep 91

[Text] On 27 September 1991, on his official visit to Thanh Hoa Province, Comrade Dao Duy Tung, member of the party Political Bureau and standing member of the party Secretariat, paid a working visit to Bim Son Cement Factory. The factory management reported to him on the factory's production situation, difficulties, and advantages over the last nine months and measures to guarantee production until the end of this year.

Comrade Dao Duy Tung went to the production plants to encourage cadres and workers to overcome all difficulties and contribute their best energy and intelligence to achieving the production target of 1.1 million tonnes of cement in 1991. He urged the factory to take care of its workers' lives so the workers can contribute more to the cause of national construction.

To translate the seventh national party congress resolutions into life, in the past months, the factory has applied many measures to improve the quality of its product by increasing supplementary materials and decreasing the humidity of containers. The factory has also put new equipment on the packaging line and the cement grinding line so that in the final quarter, the factory will be able to reach its maximum production capacity, fulfill its plan, fully contribute its share to the national budget, and secure employment for its 2,880 people.

New Investment Review Publication Reported

BK0210062091 Hanoi VNA in English 0553 GMT 2 Oct 91

[Text] Hanoi VNA Oct.2—The first issue of the VIETNAM INVESTMENT REVIEW, published by the State Committee for Cooperation and Investment

(SCCI) in co-operation with Vietnam Investment Review (?Company) Ltd came off the press on Friday Sept.27.

The English edition has 24 pages and the Vietnamese edition, 16 pages. Published every Friday, the review will bring to readers at home and abroad the latest information about the economic situation in Vietnam and also take an in-depth look at issues affecting South East Asia and major events in the world.

Ha Giang People's Council Chairman Elected

BK0110085191 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 28 Sep 91

[Text] After Ha Giang Province was formed, the people's council of the province met for the first time on 28 September to elect the comrade leaders of the province and discuss a number of immediate tasks. The council elected Trieu Duc Thanh, member of the Giao ethnic minority group and standing member of the provincial party committee, as its chaiman and engineer Yang Van Quay, member of the H'mong ethnic minority group and standing member of the provincial party committee, as chairman of the provincial people's committee.

Regarding immediate tasks, the council decided to quickly stabilize the administrative machinery, cadre-related work, and living quarters and offices for personnel of various organs in the province; and concentrate on harvesting 10th-month rice and preparing for the 1991-92 winter-spring crop production. They also decided on immunizing the people and domestic animals against epidemics; eradicating illiteracy among the population; helping compatriots in the border areas to return to their native villages to make a living; and creating favorable conditions for the people on both sides of the Sino-Vietnamese border to exchange goods in such a way as to ensure mutual benfit.

Lam Dong Commissions Second TV Relay Station

BK2909041691 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 26 Sep 91

[Text] The Lam Dong provincial television station has recently completed the establishment of the second relay station to serve the local people and tourists. As a result, people in Lam Dong and the adjacent provinces can now receive television broadcasting program one from the Vietnam Central Television through Channel 8, and the Ho Chi Minh City television broadcasting program through Channel 6.

Australia

Hawke-Keating Leadership Struggle Flares Again

BK0110045691 Melbourne Radio Australia in English 0300 GMT 1 Oct 91

[Text] The struggle for leadership of the ruling Australian Labor Party between Prime Minister Bob Hawke and his former treasurer, Paul Keating, has flared up again. From Canberra Tony Hastings report on the latest development:

[Begin Hastings recording] It has been reported that some leftwing members of the Labor Party from the State of Victoria who played a crucial role in keeping Bob Hawke in power are now switching their support to Paul Keating. In response, the prime minister phoned Victoria's left-wing premier, Joan Kirner, in an attempt to stabilize his power base. Mrs. Kirner told journalists that Mr. Hawke had expressed his displeasure with one of her ministers, but she denied the prime minister had threatened to penalize Victoria financially.

This follows attacks by Paul Keating on the government for allowing unemployment to rise too steeply—a view which has considerable backing form the left. [end recording]

Fiji

Sitiveni Rabuka Applies for New Zealand Visa

BK0110132991 Hong Kong AFP in English 1245 GMT 1 Oct 91

[Text] Suva, Oct 1 (AFP)—Fiji coup leader Major General Sitiveni Rabuka has applied to the New Zealand Embassy here for a visa to attend the Pacific Islands News Association (PINA) convention, a radio station reported Tuesday.

Commercial radio station FM 96 reported that Rabuka, now deputy prime minister and home minister, planned to leave for Auckland on Sunday.

Rabuka has been invited to be guest speaker at PINA's annual convention in Auckland on Oct 6.

He is to give the keynote address at the convention before returning to Fiji on Monday, the radio station said.

The convention ends the following Saturday.

Rabuka told reporters last month he planned to go ahead with his trip to New Zealand despite opposition from pro-democracy groups in New Zealand who plan a major demonstration to protest against the visit.

PINA's decision to invite Rabuka has generated controversy in the Pacific and New Zealand.

13 Tamils With Fake Canadian Visas Deported

BK0210010491 Hong Kong AFP in English 0024 GMT 2 Oct 91

[Text] Suva, Oct 2 (AFP)—Fiji's authorities deported 13 Sri Lankan Tamils after they were found to be holding forged Canadian visas. immigration officials said Wednesday.

Police are now searching for a 14th suspect holding a German passport, who they believe could be the mastermind of the scheme for Sri Lankan illegal immigrants to use Fiji's Nadi Airport as a transit to enter Canada.

Joe Nalewabau, the chief immigration officer at the airport, said Canadian authorities had earlier tipped off the Fijian authorities about illegal immigrants using the airport as a transit into Vancouver in Canada and into the United States.

"They had alerted us to be careful with certain Asian immigrants, especially Sri Lankans and Chinese," he said. "We had a lot of Chinese from the mainland and Hong Kong before but since we tightened on them that has subsided but recently we've been coming up with Sri Lankans."

Asian immigrants used to travel along northbound routes through the United States into Canada, but stricter controls have forced them to begin using southbound routes, with Fiji a strategic location, said Nalewabau.

"They try and come to Fiji and then go up to Canada (through Hawaii)," he said.

The Sri Lankans obtained Fijian visas from the country's embassy in Malaysia, which has now been instructed to direct all Sri Lankan applications to here.

Nalewabau said the authorities became suspicious that the 13 Sri Lankans, who have been here about one month, had forged their Canadian visas after finding blank Canadian visa forms on them.

New Zealand

Prime Minister Dismisses Leading Cabinet Critic

BK0210002891 Hong Kong AFP in English 2218 GMT 1 Oct 91

[Text] Wellington, Oct 2 (AFP)—Prime Minister Jim Bolger announced on Wednesday the dismissal of his most popular cabinet member, Maori Affairs Minister Winston Peters.

"Winston Peters has been excluded from the new cabinet. I consider that his conduct has been inconsistent with continued membership in the cabinet and inconsistent with the convention of collective responsibility among cabinet ministers," Bolger told a press conference.

Peters has been a strong and public critic of the government's economic policies and, in various public opinion polls, has easily outscored Bolger as preferred prime minister.

The sacking, coming nearly a year after Bolger became prime minister in a landslide election, is certain to provoke bitter dispute within the ruling National Party.

Bolger said his government had spent the last year restructuring the economy and was now "moving to a new phase in our drive for growth and jobs."

Fisheries Minister Doug Kidd was named as Peters' replacement.

Papua New Guinea

Police, Defense Forces Placed on Full Alert

BK0210041291 Hong Kong AFP in English 0306 GMT 2 Oct 91

[Text] Port Moresby, Oct 2 (AFP)—Police and defence forces were placed on full alert by the Papua New Guinea government Wednesday following the resignation of Deputy Prime Minister Ted Diro and Governor-General Sir Serai Eri.

Diro's resignation was announced late Tuesday, hours after Prime Minister Rabbie Namaliu told a news conference Eri had quit, ending a five-day constitutional crisis.

Both Diro and Eri were facing dismissal if they had not quit voluntarily.

Government and police sources said police and military had been placed on alert because of fear of trouble by supporters of Diro and Eri.

Former Sydney Judge Graham Ellis, chairman of the leadership tribunal which found Diro guilty of 81 corruption charges, tendered his resignation at the same time, Attorney-General Bernard Narokobi said.

Narokobi said Judge Ellis' resignation was effective from the New Year, but he would not say why the judge had resigned.

In a one-line resignation to parliamentary speaker Dennis Young, Diro said: "My dear Speaker, it is with deep regret that I advise you of my resignation as the elected member for Central Province effective immediately."

But for the resignation Young, who was made acting governor-general Tuesday, would have had to perform the duty which Eri had refused—sacking Diro.

Young is a member of the People's Action Party (PAP) of which Diro is leader and Eri was founding president.

However, while saving the government the embarrassment of having to sack its second most senior minister, government sources say Diro's resignation also raises complex legal issues.

The recommendation of the tribunal was that he be dismissed and banned from public office for three years, but one legal problem is whether his resignation has pre-empted such a ban.

Staff at the National Court said Ellis and the other two members of the tribunal, magistrates Martin Loi and Iova Geita, had gone into hiding after announcing their findings against Diro last Friday.

Narokobi briefed a meeting of all government departmental heads about what he described as the country's biggest political and constitutional crisis in its 16 years of independence.

"I hope the situation will not develop into a serious social and political problem in the country or one that will divide our leaders and our people," he said.

"We must not protect individuals against the system. We must commit ourselves to the system and the legal process in the country."

He urged the bureaucrats not to panic over the situation.

Deputy Police Commissioner Bob Nenta said police in Port Moresby and elsewhere had been placed on alert.

"We are just being cautious in case of trouble," Nenta said. "So far nothing has happened and we are just looking out for anything that might come up."

Vanuatu

Deposed Prime Minister Forms Opposition Party

BK2909085091 Hong Kong AFP in English 0805 GMT 29 Sep 91

[Text] Suva, Sept 29 (AFP)—Vanuatu's deposed prime minister Walter Lini has broken away from the ruling Vanua'aku Pati (VP) and launched a new party which he claims could win the upcoming general elections, government sources said Sunday.

Lini, founder of the VP and prime minister since independence in 1980, claims the backing of 21 sitting MPs and 83 branches of the VP in founding the National United Party (NUP).

In a statement to supporters at the NUP's inaugural meeting last week, he said his move would surprise both supporters and critics who had written him off after he lost a vote of no confidence on September 6.

The new party, he said, would address issues like pushing for New Caledonia's independence from France, which the VP did not advocate strongly.

Lini said in the statement it was partly his frustration with VP executives who voted him out of party leadership on August 7 that drove him to form a new party.

He said that since the political crisis began he had tried three times to contact the new prime minister and party president Donald Kalpokas and his senior ministers but there was no response.

With a growing number of VP supporters defecting to his party he was optimistic of their prospects in the elections, due between November and January.

"Even if elections come in a month or at the beginning of this year, we will still be able to contest any seat anywhere in Vanuatu," he said.

He stressed that if the party does not win a majority "we would be in the opposition. We don't want to have a coalition government."

Kalpokas told a separate political meeting in his Pele islands constituency that the VP was united as ever. He said it was Lini's reluctance to share power that led to his downfall.

The first stage of the political crisis arose after Lini refused to step aside following his stroke in 1987, Kalpokas said, adding that outside influences later began creeping in, causing an unsteady government.